

**TERREBONNE PARISH SCHOOL BOARD  
HOUMA, LOUISIANA**

***Comprehensive Annual Report***

***Year Ended June 30, 2006***

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Release Date 1-17-07

**TERREBONNE PARISH SCHOOL BOARD  
HOUMA, LOUISIANA**

*Comprehensive Annual Report*

*Year Ended June 30, 2006*

**TERREBONNE PARISH SCHOOL BOARD  
HOUMA, LOUISIANA**

**June 30, 2006**

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## INTRODUCTORY SECTION

TERREBONNE PARISH SCHOOL BOARD  
HOUMA, LOUISIANA

June 30, 2006

SCHOOL BOARD MEMBERS

Mr. Clark J. Bonvillain, President

Mr. L.P. Bordelon, III, Vice-President

Mr. Roosevelt Thomas

Mr. Gregory Harding

Mr. Richard Jackson

Mr. Rickie Pitre

Mr. Roger Dale Dehart

Mr. Donald Duplantis

Mr. Hayes Badeaux, Jr.

OFFICIALS

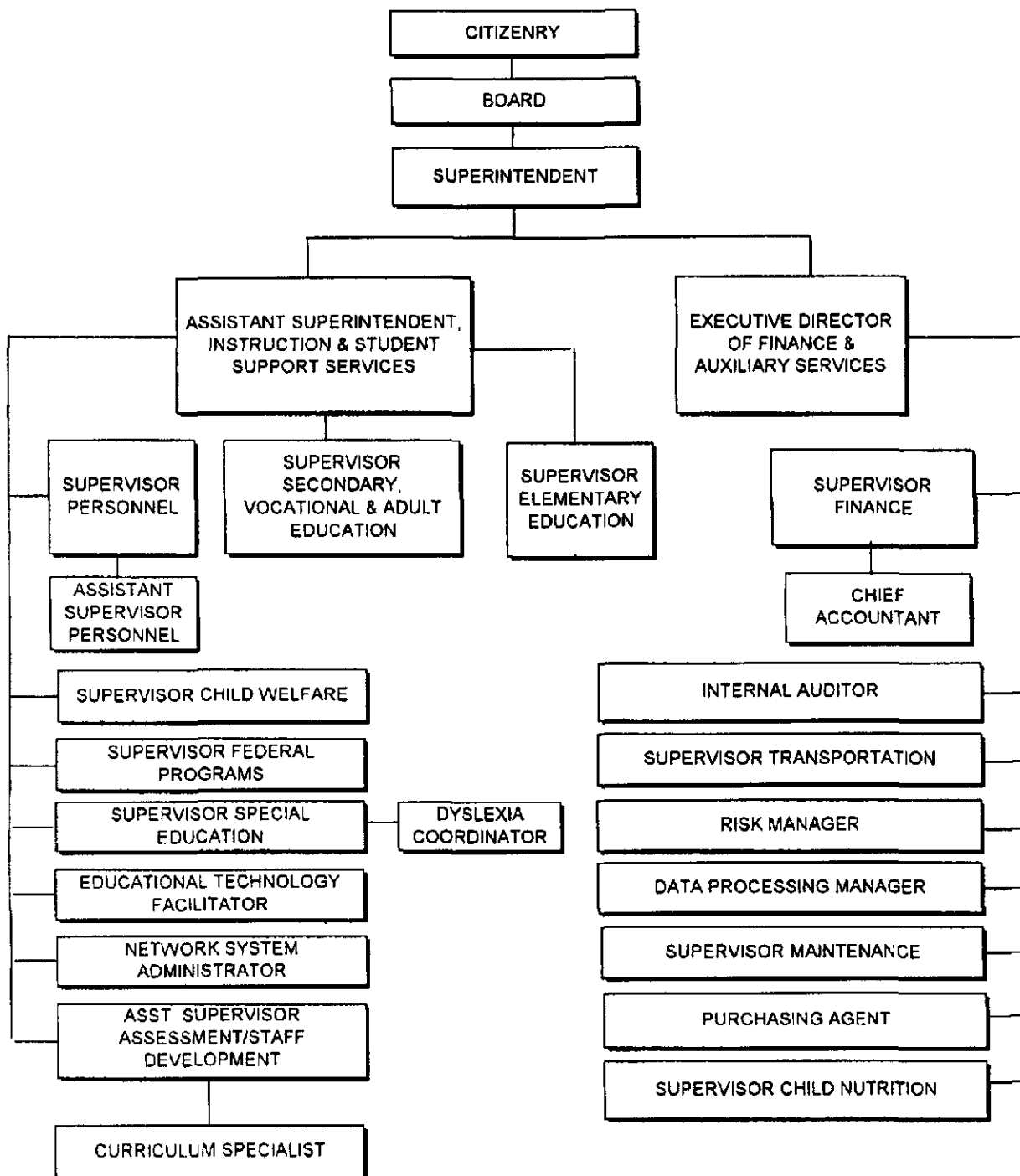
Mr. Ed Richard, Jr.  
Superintendent

Mr. Harris Henry  
Executive Director of Finance & Auxiliary Services

**TERREBONNE PARISH PUBLIC SCHOOLS**

**CONDENSED TABLE OF ORGANIZATION**

**June 30, 2006**





**REQUIRED SUPPLEMENTARY INFORMATION  
(PART 1)**

## **TERREBONNE PARISH SCHOOL BOARD**

### **Management's Discussion and Analysis**

**For the Year Ended June 30, 2006**

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is a narrative overview and analysis of the financial activities of the Terrebonne Parish School Board for the fiscal year ended June 30, 2006. This section is intended to assist the reader in focusing on significant financial issues, provide an overview of the financial activity, identify changes in the financial position and the ability of administration and management to address the next and subsequent year challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns.

This discussion and analysis is intended to serve as an introduction to the Terrebonne Parish School Board's basic financial statements. GASB 34 requires the presentation of two basic financial statements; Government-wide Financial Statements and Fund Financial Statements. This report also contains Notes to the financial statements and other supplementary information in addition to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS** The Government-Wide Financial Statements are designed to provide readers with a broad overview of the Terrebonne Parish School Board's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the School Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Terrebonne Parish School Board is improving or deteriorating.

The Statement of Activities, consistent with the full accrual basis method of accounting, presents information showing how the net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

**FUND FINANCIAL STATEMENTS:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund statements are similar to financial presentations of years past, but the new focus is on the Major Funds, rather than fund types as in the past. The two Account Groups: General Fixed Assets and General Long-Term Debt are no longer reported. Consistent with previous years, the fund statements are reported using the modified accrual method of accounting. Fund Financial Statements provide more in-depth data on the most significant funds that are considered "Major Funds". All of the funds of the School Board can be divided into three categories: government funds, proprietary funds and fiduciary funds.

## **TERREBONNE PARISH SCHOOL BOARD**

### **Management's Discussion and Analysis**

**For the Year Ended June 30, 2006**

**Governmental funds:** Most of the activities are reported in governmental funds, which focus on how money flows in and out of those funds, the balances that are left at year-end and the amount available for spending in future periods. Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-Wide Financial Statements. However, unlike the Government-Wide Financial Statements, Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of Fund Financial Statements is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**Proprietary funds:** The Terrebonne Parish School Board maintains four proprietary type funds. The School Board uses *internal service funds* as an accounting device to accumulate and allocate costs internally among the various functions for its self-funded workers compensation program, loss fund and group insurance claims fund.

The Terrebonne Parish School Board also maintains an *enterprise fund* to account for Terrebonne Construction Company, an equity investment received as a donation.

Proprietary fund statements provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for these funds.

**Fiduciary funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These funds include school activity funds and an employee benefits trust fund. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Terrebonne Parish School Board's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**TERREBONNE PARISH SCHOOL BOARD**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2006**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following represents key totals from the Statement of Net Assets:

|   | <b>Governmental Activities</b> |                      | <b>Business-type Activities</b> |                   |
|---|--------------------------------|----------------------|---------------------------------|-------------------|
|   | <b>2006</b>                    | <b>2005</b>          | <b>2006</b>                     | <b>2005</b>       |
| <b>ASSETS</b>                                   |                                |                      |                                 |                   |
| Current assets                                  | \$ 67,088,517                  | \$ 45,598,973        | \$ 67,843                       | \$ 67,042         |
| Capital assets                                  | 115,518,511                    | 114,209,219          | 513,609                         | 513,048           |
| Less accumulated depreciation                   | (65,521,519)                   | (64,244,541)         | (190,650)                       | (173,138)         |
| Capital assets, net of depreciation             | <u>49,996,992</u>              | <u>49,964,678</u>    | <u>322,959</u>                  | <u>339,910</u>    |
| Total assets                                    | 117,085,509                    | 95,563,651           | 390,802                         | 406,952           |
| <b>LIABILITIES</b>                              |                                |                      |                                 |                   |
| Current liabilities                             | 24,825,349                     | 24,065,270           | 3,196                           | 1,245             |
| Long-term liabilities                           | <u>8,774,720</u>               | <u>9,282,930</u>     | <u>-</u>                        | <u>-</u>          |
| Total liabilities                               | 33,600,069                     | 33,348,200           | 3,196                           | 1,245             |
| <b>NET ASSETS</b>                               |                                |                      |                                 |                   |
| Invested in capital assets, net of related debt | 47,657,055                     | 46,923,049           | 322,959                         | 339,910           |
| Restricted                                      | 3,601,811                      | 2,061,209            | -                               | -                 |
| Unrestricted                                    | <u>32,226,574</u>              | <u>13,231,193</u>    | <u>64,647</u>                   | <u>65,797</u>     |
| Total net assets                                | <u>\$ 83,485,440</u>           | <u>\$ 62,215,451</u> | <u>\$ 387,606</u>               | <u>\$ 405,707</u> |

Net assets of the governmental activities increased by 34.22 percent (\$83.5 million compared to \$62.2 million in the prior year). Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—changed from \$13.2 million at June 30, 2005, to \$32.2 million at the end of this year.

This increase in unrestricted governmental net assets arose primarily because of an increase in the amount invested in capital assets of approximately \$734 thousand and an increase in net assets of approximately \$21 million shown on the Statement of Activities. Net assets of the business-type activities increased by 4.46 percent (\$419,841 compared to \$405,707 in the prior year) before a \$30,000 dividend (equity transfer) reflected as a decrease in total ending net assets. Forty-three percent (43%) as compared to fifty-four percent (54%) in the prior year of total assets consist of the net book value of capital assets. Current liabilities

**TERREBONNE PARISH SCHOOL BOARD****Management's Discussion and Analysis****For the Year Ended June 30, 2006**

consist primarily (74% at June 30, 2006, 70% at June 30, 2005) of amounts due for salaries and benefits payable in July and August for employees of the School System.

Net assets, the difference between total assets and total liabilities consist of 3 categories:

- o The amount representing the investment in capital assets (\$49,996,992) less the debt associated with those assets (\$2,339,937) is \$47,657,055, an increase of 1.6 percent from the prior year.
- o Total restricted assets of \$3,601,811 consist of capital contracts of \$2,541,603 and various designations of \$1,060,208, an increase of 75 percent from the prior year.
- o The remaining of \$32,226,574 is unrestricted. The unrestricted balance is an accumulation of prior year' operating results. This balance is directly affected each year by the operating results, as discussed above.

The following represents a recap of the Governmental and Business-type activities presented in the Statement of Activities (Government-Wide Financial Statements):

| <b>Program revenues</b>                | <b>2006</b>   | <b>2005</b>  |
|--|---------------|--------------|
| Charges for services                   | \$ 2,284,237  | \$ 2,458,549 |
| Operating grants and contributions     | 31,572,510    | 22,583,190   |
| Total program revenue                  | 33,856,747    | 25,041,739   |
| <b>General revenues</b>                |               |              |
| Ad valorem taxes                       | 4,482,283     | 4,254,501    |
| Sales taxes                            | 46,454,174    | 36,696,742   |
| Rental, leases, and royalties          | 3,637,690     | 1,217,959    |
| Earnings on investments                | 1,078,360     | 477,838      |
| Other local                            | 2,732,376     | 785,797      |
| State grants, not specific to programs | 280,630       | 327,472      |
| Minimum Foundation Program             | 75,768,245    | 70,659,801   |
| State revenue sharing                  | 224,656       | 227,210      |
| Total general revenue                  | 134,658,414   | 114,647,320  |
| Total revenues                         | 168,515,161   | 139,689,059  |
| <b>Expenses</b>                        |               |              |
| Instructional expenses                 | 90,036,929    | 82,733,060   |
| Support service expenses               | 48,106,248    | 44,215,536   |
| Food service operations                | 8,990,097     | 8,207,168    |
| Debt service and other expenses        | 129,999       | 130,796      |
| Total expenses                         | 147,263,273   | 135,286,560  |
| Increase (decrease) in net assets      | \$ 21,251,888 | \$ 4,402,499 |

Most of the activities were governmental. The business-type activities generated \$60,925 from charges for services and \$49,026 in expenses for net program revenue for the year ending June 30, 2006 of \$11,899. The total revenues increased by almost 20.7 percent (\$28.8 million).

## **TERREBONNE PARISH SCHOOL BOARD**

### **Management's Discussion and Analysis**

**For the Year Ended June 30, 2006**

The total cost of all programs and services increased by \$12 million, or approximately 8.9 percent. Program revenues for these activities increased by 35 percent (\$8.8 million). The increase in net assets for activities was \$21.2 million in June 30, 2006. This compares to a \$4.4 million increase in net assets at June 30, 2005.

The total revenue to fund all activities this year was \$168.5 million compared to \$139.7 million last year. However, as shown in the Statement of Activities, the amount that taxpayers ultimately financed for these activities through taxes, rental, leases, and royalties, earnings on investments, the minimum foundation program, and state revenue sharing was \$135 million because some of the cost was paid by those who directly benefited from the programs (\$2.3 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$31.6 million). Overall, the governmental program revenues increased from \$25.0 million to \$33.9 million based on increases in fees charged for services and increased grant funding for certain programs.

Program revenues consist of charges for services and operating grants and contributions. Charges for services include such accounts as tuition, building rental, school bus rental, summer school fees and driver's education fees as well as charges for breakfast and lunches in the Food Service Fund. Operating grants and contributions consist of accounts such as: Medicaid reimbursements, parochial school transportation grant and program specific state and federal grants. General revenues consist of revenues not specific to any program or service.

### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, the Terrebonne Parish School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of the Terrebonne Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School Board's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The following is a recap of the percentages of revenues by source for all governmental fund types (Fund Financial Statements):

| REVENUE<br>SOURCE | 2006           |            | 2005           |            |
|-------------------|----------------|------------|----------------|------------|
|                   | amount         | percentage | amount         | percentage |
| Local             | \$ 58,966,429  | 35.40%     | \$ 45,815,359  | 32.82%     |
| State             | 80,423,519     | 48.27%     | 73,637,188     | 52.75%     |
| Federal           | 27,204,686     | 16.33%     | 20,136,357     | 14.43%     |
| Total revenues    | \$ 166,594,634 | 100.00%    | \$ 139,588,904 | 100.00%    |

**TERREBONNE PARISH SCHOOL BOARD****Management's Discussion and Analysis****For the Year Ended June 30, 2006**

Local sources of revenues include property tax collections, sales and use taxes, local parish contributions to the Teacher's Retirement Plan, rents and royalties that are generated by various School Board properties, tuition, charges for services such as meal revenues, earnings on investments, and various reimbursements and contributions for a total of \$58,966,429, an increase of 28.7% from last year.

State sources of revenues include monies from the Minimum Foundation Program, revenue sharing, Professional Improvement Program support for teachers, state contributions to the Teacher's Retirement System, and grants from various other state programs, for a total of \$80,423,519, an increase of 9.2% from last year.

Federal sources of revenues include monies from various federal programs such as the Disadvantaged Education Program, Meal Reimbursement Program, Special Education Fund, and various other federal programs, for a total of \$27,204,686, an increase of 35.1% from last year.

The following is a recap by percentages of expenditures by function for all governmental fund types:

| FUNCTION               | 2006           |             | 2005           |             |
|------------------------|----------------|-------------|----------------|-------------|
|                        | amount         | percentages | amount         | percentages |
| Instruction            | \$ 90,204,885  | 61.52%      | \$ 82,514,519  | 61.35%      |
| Support Services       | 53,748,537     | 36.66%      | 49,051,255     | 36.47%      |
| Facilities acquisition | 1,913,917      | 1.30%       | 1,908,573      | 1.42%       |
| Debt Service           | 762,268        | 0.52%       | 1,025,648      | 0.76%       |
| Total expenditures     | \$ 146,629,607 | 100.00%     | \$ 134,499,995 | 100.00%     |

Instruction expenditures include: regular, special, adult, vocational, and other various instructional expenditures such as alternative programs, music programs, extracurricular programs and summer school programs for a total of \$90,204,885, an increase of 9.4% from last year.

Support services include: pupil support, instructional staff, general administration, school administration, business services, plant services, food service, student transportation, central services and community services for a total of \$53,748,537, an increase of 9.5% from last year.

Facilities acquisition includes all expenditures for construction, engineer fees, land and site improvements, portable classrooms and building improvements totaled \$1,913,917, an increase of 0.3% from last year.

Debt service includes all debt principal, interest and paying agent fees of \$762,268, a decrease of 25.7% from last year.

**TERREBONNE PARISH SCHOOL BOARD****Management's Discussion and Analysis****For the Year Ended June 30, 2006****CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets:** The following is a recap of the capital asset categories and balances for Governmental Activities:

| CATEGORY                   | COST           | ACCUMULATED<br>DEPRECIATION | NET BALANCE   |               |
|----------------------------|----------------|-----------------------------|---------------|---------------|
|                            |                |                             | 2006          | 2004          |
| Land                       | \$ 2,935,633   | \$ -                        | \$ 2,935,633  | \$ 2,935,633  |
| Buildings and Improvements | 96,030,801     | 54,233,945                  | 41,796,856    | 41,481,340    |
| Furniture and Equipment    | 11,805,112     | 8,373,011                   | 3,432,101     | 3,213,668     |
| Vehicles                   | 3,820,148      | 2,914,563                   | 905,585       | 1,073,095     |
| Construction in Progress   | 926,817        | -                           | 926,817       | 1,260,942     |
| Total                      | \$ 115,518,511 | \$ 65,521,519               | \$ 49,996,992 | \$ 49,964,678 |

The original cost of capital assets is \$115,518,511, which is an accumulation of capital assets year after year less any disposals. The accumulated depreciation is the accumulation of depreciation expense since acquisition. In accordance with generally accepted accounting principles, depreciation expense is recorded on the original cost of the asset, less an estimated salvage value, expensed over the estimated useful life of the asset. Total accumulated depreciation is \$65,521,519. Most capital asset acquisitions are financed through long-term debt.

Capital asset additions for the year were \$5,311,113 and reductions were \$4,001,821. Depreciation expense for the year was \$3,160,159. At the end of the fiscal year, the amount reserved and committed for construction projects is \$926,817.

**Debt:**

The following is a recap of the types and balances of debt outstanding:

| CATEGORY                          | ORIGINAL<br>PROCEEDS | ENDING BALANCE |              |
|-----------------------------------|----------------------|----------------|--------------|
|                                   |                      | 2006           | 2005         |
| QZAB Loan                         | \$ 1,030,218         | \$ 711,787     | \$ 786,712   |
| Certificates of Indebtedness      | 2,570,000            | 1,585,000      | 2,085,000    |
| Installment Purchase Agreement #2 | 626,314              | 43,150         | 169,918      |
| Compensated Absences              | N/A                  | 6,434,783      | 6,241,300    |
| Total                             | \$ 4,226,532         | \$ 8,774,720   | \$ 9,282,930 |

At year-end, the School Board had approximately \$2.3 million in bonds and notes outstanding (not including compensated absences) versus approximately \$3.0 million last year—a decrease of 23 percent. Debt service expenditures totaled \$762,268 or 0.52% of general governmental expenditures – a decrease of 25.7% from last year.

The Board's current bond rating from Moody's Investors Service is Aaa and from Standard and Poor's is AAA.



**TERREBONNE PARISH SCHOOL BOARD****Management's Discussion and Analysis****For the Year Ended June 30, 2006****GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS**

**General Fund Balance:** The Budgetary Comparison Schedules for the Major Funds display original, final, and actual budget columns with a variance column showing the favorable or (unfavorable) difference of the actual with the final budget. The following shows the significant amendments to the original general fund budget:

|  |               |
|--|---------------|
| Original Budget Revenues                                     | \$ 84,888,074 |
| Amendments were made for:                                    |               |
| Increase in ad valorem tax received                          | 6,000         |
| Increased sales and use tax revenue received                 | 1,121,491     |
| Increased rentals, leases, royalties                         | 555,000       |
| Increased tuition received                                   | 5,862         |
| Increase in interest earned                                  | 172,245       |
| Decrease in other local revenue                              | (84,223)      |
| Increase in equalization                                     | 3,353,264     |
| Decrease in state revenue sharing                            | (51,205)      |
| Decrease in Professional Improvement Program support         | (9,599)       |
| Increase in state contribution to Teachers Retirement System | 9,281         |
| Increase in other state grants                               | 678,692       |
| Total revenue amendments                                     | 5,756,808     |
| Amended budget revenues                                      | \$ 90,644,882 |
|  |               |
| Original Budget Expenditures                                 | \$ 95,224,877 |
| Amendments were made for:                                    |               |
| Increase in instructional expenditures                       | 168,097       |
| Increase in support service expenditures                     | 460,078       |
| Decrease in facilities acquisition expenditures              | (188,729)     |
| Total expenditure amendments                                 | 439,446       |
| Amended budget expenditures                                  | \$ 95,664,323 |

**TERREBONNE PARISH SCHOOL BOARD****Management's Discussion and Analysis****For the Year Ended June 30, 2006****ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Highlights of the July 1, 2006 through June 30, 2007 Original Annual Operating Budget follows:

|                                    | GENERAL       | OTHER         |
|------------------------------------|---------------|---------------|
| Local revenues                     | \$ 14,553,887 | \$ 37,536,748 |
| State revenues                     | 76,090,102    | 3,633,618     |
| Federal revenues                   | 900           | 19,457,098    |
| Other sources                      | 13,343,349    | 2,199,534     |
| Total revenues                     | 103,988,238   | 62,826,998    |
| Instruction                        | 64,813,390    | 26,257,625    |
| Support services                   | 36,847,529    | 21,531,792    |
| Debt Service                       | 669,848       | -             |
| Transfers Out                      | 2,679,688     | 15,321,177    |
| Less Non-recurring capital outlays | (2,255,460)   | (244,600)     |
| Total expenditures                 | 102,754,995   | 62,865,994    |
| Excess (Deficiency) of Revenues    | 1,233,243     | (38,996)      |
| Beginning Fund Balances            | 8,414,655     | 8,062,241     |
| Ending Fund Balances               | \$ 9,647,898  | \$ 8,023,245  |

Some of the most important features of the 2006/2007 budget are:

- o Ending General fund balance is estimated at 9.2% of expenditures.
- o An increase in MFP is budgeted. Included in the increase are funds dedicated for a raise for certificated personnel of 50% of "growth funds."
- o A salary increase of 4% has been budgeted for all full-time employees.
- o Salaries and Benefits are budgeted at \$125,224,922.
- o Normal step progression and longevity advances are estimated to cost \$716,173.
- o The School Employees Retirement System rate has increased from 18.4% to 19.6%.
- o The Teachers Retirement System employer contribution rate has decreased from 15.9% to 15.8%.
- o Sales Tax collections are budgeted equal to the 2005/2006 revised budget amount.
- o An increase of 10% in group insurance premiums has been budgeted effective January 1, 2007.
- o Workers Compensation rates increased by 25%.

**TERREBONNE PARISH SCHOOL BOARD**

Management's Discussion and Analysis

For the Year Ended June 30, 2006

**REQUEST FOR INFORMATION**

The financial report is designed to provide a general overview of the Terrebonne Parish School Board's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Mr. Harris Henry, Executive Director of Finance and Auxiliary Services  
Terrebonne Parish School Board  
201 Stadium Drive  
Houma, LA 70360  
(985) 876-7400

## FINANCIAL SECTION

5779 Hwy. 311  
P. O. Box 3695  
HOUMA, LOUISIANA 70361-3695  
TELEPHONE (985) 851-0883  
FAX (985) 851-3014

# Lanaux & Felger

— CERTIFIED PUBLIC ACCOUNTANTS —  
A PROFESSIONAL CORPORATION

THOMAS J. LANAUX, CPA  
MARK S. FELGER, CPA

## INDEPENDENT AUDITOR'S REPORT

To the Terrebonne Parish School Board  
Houma, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Terrebonne Parish School Board as of and for the year ended June 30, 2006, which collectively comprise the School Board's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Terrebonne Parish School System's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

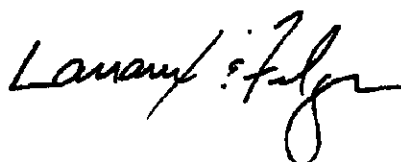
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Terrebonne Parish School Board as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated December 8, 2006, on our consideration of the Terrebonne Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the other Required Supplementary Information as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Terrebonne Parish School Board's basic financial statements. The statements and schedules listed under the Supplemental Information Section in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Terrebonne Parish School Board. Also, the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

December 8, 2006

A handwritten signature in black ink, appearing to read "L. A. Fulger", is written in a cursive style.

**STATEMENT OF NET ASSETS**  
**Terrebonne Parish School Board**  
**June 30, 2006**

|   | Governmental<br>Activities | Business-type<br>Activities | Total                |
|---|----------------------------|-----------------------------|----------------------|
| <b><u>ASSETS</u></b>                            |                            |                             |                      |
| Cash and cash equivalents                       | \$ 48,613,736              | \$ 62,575                   | \$ 48,676,311        |
| Cash with fiscal agents                         | 87,418                     | -                           | 87,418               |
| Rentals, leases and royalties                   | -                          | 2,637                       | 2,637                |
| Receivables:                                    |                            |                             |                      |
| Sales and use tax                               | 8,251,072                  | -                           | 8,251,072            |
| Other receivables                               | 1,454,059                  | -                           | 1,454,059            |
| Due from governments                            | 8,093,774                  | -                           | 8,093,774            |
| Internal balances                               | 1,331                      | (1,331)                     | -                    |
| Due from external parties (fiduciary fund)      | 51                         | -                           | 51                   |
| Deposits  | 100                        | 145                         | 245                  |
| Inventory, at cost                              | 450,298                    | -                           | 450,298              |
| Prepaid expenses                                | 136,678                    | 3,817                       | 140,495              |
| Capital assets, net of accumulated depreciation | 49,996,992                 | 322,959                     | 50,319,951           |
| <b>TOTAL ASSETS</b>                             | <b>117,085,509</b>         | <b>390,802</b>              | <b>117,476,311</b>   |
| <b><u>LIABILITIES</u></b>                       |                            |                             |                      |
| Accounts, salaries and other payables           | 24,799,601                 | 605                         | 24,800,206           |
| Deferred revenues                               | 20,355                     | 1,741                       | 22,096               |
| Long-term liabilities                           |                            |                             |                      |
| Due within one year                             | 1,361,200                  | -                           | 1,361,200            |
| Due in more than one year                       | 7,413,520                  | -                           | 7,413,520            |
| Other liabilities                               | 5,393                      | 850                         | 6,243                |
| <b>TOTAL LIABILITIES</b>                        | <b>33,600,069</b>          | <b>3,196</b>                | <b>33,603,265</b>    |
| <b><u>NET ASSETS</u></b>                        |                            |                             |                      |
| Invested in capital assets, net of related debt | 47,657,055                 | 322,959                     | 47,980,014           |
| Restricted for:                                 |                            |                             |                      |
| Capital improvements                            | 2,541,603                  | -                           | 2,541,603            |
| Other   | 1,060,208                  | -                           | 1,060,208            |
| Unrestricted                                    | 32,226,574                 | 64,847                      | 32,291,221           |
| <b>TOTAL NET ASSETS</b>                         | <b>\$ 83,485,440</b>       | <b>\$ 387,806</b>           | <b>\$ 83,873,046</b> |

**STATEMENT OF ACTIVITIES**  
**Terrebonne Parish School Board**  
**For the Year Ended June 30, 2006**

|                                  | Program Revenues |             |                             | Net (Expense) Revenue and<br>Changes in Net Assets |               |                 |
|----------------------------------|------------------|-------------|-----------------------------|--|---------------|-----------------|
|                                  |                  | Charges for | Operating                   | Governmental                                       | Business-type |                 |
| Functions/Programs               | Expenses         | Services    | Grants and<br>Contributions | Activities   | Activities    | Total           |
| <b>Governmental activities:</b>  |                  |             |                             |  |               |                 |
| Instruction:                     |                  |             |                             |  |               |                 |
| Regular                          | \$ 54,284,395    | \$ 391,721  | \$ 4,781,086                | \$ (49,111,588)                                    | \$ -          | \$ (49,111,588) |
| Special                          | 20,335,686       | -           | 2,078,118                   | (18,257,568)                                       | -             | (18,257,568)    |
| Adult education                  | 484,474          | -           | 408,912                     | (55,562)   | -             | (55,562)        |
| Vocational education             | 3,586,984        | -           | 303,672                     | (3,283,312)  | -             | (3,283,312)     |
| Other programs                   | 11,365,390       | 342,883     | 10,561,147                  | (461,360)  | -             | (461,360)       |
| <b>Support Services:</b>         |                  |             |                             |  |               |                 |
| Pupil support                    | 6,720,355        | -           | 2,093,252                   | (4,627,103)  | -             | (4,627,103)     |
| Instructional staff              | 7,934,178        | 679         | 2,540,397                   | (5,393,102)  | -             | (5,393,102)     |
| General administration           | 4,536,813        | 189,273     | 23,671                      | (4,323,869)  | -             | (4,323,869)     |
| School administration            | 6,715,209        | 27,883      | 369,100                     | (6,318,226)  | -             | (6,318,226)     |
| Business services                | 1,490,725        | -           | 342                         | (1,490,383)  | -             | (1,490,383)     |
| Plant services                   | 11,778,312       | 1,646       | 1,073,727                   | (10,702,939)                                       | -             | (10,702,939)    |
| Food service                     | 8,990,097        | 1,252,110   | 5,763,152                   | (1,974,835)  | -             | (1,974,835)     |
| Student transportation           | 7,771,381        | 16,667      | 1,062,064                   | (6,692,650)  | -             | (6,692,650)     |
| Central services                 | 1,061,256        | 450         | 5,439                       | (1,055,367)  | -             | (1,055,367)     |
| Community services               | 98,019           | -           | 177,019                     | 79,000   | -             | 79,000          |
| Facilities acquisitions          | -                | -           | 331,412                     | 331,412  | -             | 331,412         |
| Interest and bank charges        | 80,973           | -           | -                           | (80,973)   | -             | (80,973)        |
| Total Governmental Activities    | 147,214,247      | 2,223,312   | 31,572,510                  | (113,418,425)                                      | -             | (113,418,425)   |
| <b>Business-type activities:</b> |                  |             |                             |  |               |                 |
| Property rentals                 | 49,026           | 60,925      | -                           | -  | 11,899        | 11,899          |
| Total business-type activities   | 49,026           | 60,925      | -                           | -  | 11,899        | 11,899          |
| <b>General Revenues</b>          |                  |             |                             |  |               |                 |
| <b>Local Sources:</b>            |                  |             |                             |  |               |                 |
| Ad valorem taxes                 |                  |             |                             | 4,482,283  | -             | 4,482,283       |
| Sales and use taxes              |                  |             |                             | 46,454,174   | -             | 46,454,174      |
| Rentals, leases, and royalties   |                  |             |                             | 3,637,690  | -             | 3,637,690       |
| Earnings on investments          |                  |             |                             | 1,078,360  | -             | 1,078,360       |
| Other local                      |                  |             |                             | 2,732,376  | -             | 2,732,376       |
| <b>State sources:</b>            |                  |             |                             |  |               |                 |
| Grants not specific to programs  |                  |             |                             | 280,630  | -             | 280,630         |
| Minimum Foundation Program       |                  |             |                             | 75,768,245   | -             | 75,768,245      |
| State revenue sharing            |                  |             |                             | 224,656  | -             | 224,656         |
| Total general revenues           |                  |             |                             | 134,658,414  | -             | 134,658,414     |
| Change in net assets             |                  |             |                             | 21,239,989   | 11,899        | 21,251,888      |
| Net Assets-- beginning           |                  |             |                             | 62,215,451   | 405,707       | 62,621,158      |
| Equity transfer                  |                  |             |                             | 30,000   | (30,000)      | -               |
| Net Assets--ending               |                  |             |                             | \$ 83,485,440                                      | \$ 387,606    | \$ 83,873,046   |



BALANCE SHEET  
GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
June 30, 2006

|                                       | General Fund         | One Cent Sales Tax Fund | 3/4 Cent Sales Tax Fund | School Food Service Fund | NCLB Title I Disadvantaged Schoolwide Fund | Other Governmental Funds | Total                |
|---------------------------------------|----------------------|-------------------------|-------------------------|--------------------------|--|--------------------------|----------------------|
| <b>ASSETS</b>                         |                      |                         |                         |                          |  |                          |                      |
| Cash                                  | \$ 22,235,785        | \$ 8,819,944            | \$ 2,270,304            | \$ 1,343,425             | \$ -                                       | \$ 2,114,985             | \$ 36,784,443        |
| Receivables:                          |                      |                         |                         |                          |  |                          |                      |
| Sales and use tax                     | 1,320,171            | 3,960,515               | 2,970,386               | -                        | -  | -                        | 8,251,072            |
| Other receivables                     | 718,330              | -                       | -                       | 3,185                    | -  | 730,668                  | 1,452,183            |
| Due from other funds                  | 15,008,691           | -                       | 37,798                  | 162,805                  | -  | 1,763,830                | 16,973,124           |
| Due from other governmental units:    |                      |                         |                         |                          |  |                          |                      |
| State Department of Education         | -                    | -                       | -                       | 27,823                   | 1,715,419                                  | 5,432,435                | 7,175,677            |
| United States Department of Education | -                    | -                       | -                       | -                        | -  | 620,082                  | 620,082              |
| Other units                           | 56,178               | -                       | -                       | -                        | -  | 241,837                  | 298,015              |
| Deposits                              | 100                  | -                       | -                       | -                        | -  | -                        | 100                  |
| Inventory, at cost                    | -                    | -                       | -                       | 450,298                  | -  | -                        | 450,298              |
| Prepaid expenses                      | -                    | 69,301                  | -                       | 100                      | -  | 373                      | 69,774               |
| <b>Total assets</b>                   | <b>\$ 39,339,255</b> | <b>\$ 12,849,760</b>    | <b>\$ 5,278,488</b>     | <b>\$ 1,987,636</b>      | <b>\$ 1,715,419</b>                        | <b>\$ 10,904,210</b>     | <b>\$ 72,074,768</b> |
| <b>LIABILITIES</b>                    |                      |                         |                         |                          |  |                          |                      |
| Accounts payable                      | \$ 262,771           | \$ 210,889              | \$ 44,704               | \$ 23,895                | \$ 686                                     | \$ 539,610               | \$ 1,082,555         |
| Accrued salaries                      | 12,459,463           | -                       | -                       | -                        | -  | -                        | 12,459,463           |
| Accrued employee benefits             | 3,422,855            | -                       | -                       | -                        | -  | -                        | 3,422,855            |
| Payroll deductions payable            | 1,001,262            | -                       | -                       | -                        | -  | -                        | 1,001,262            |
| Due to other funds                    | 1,863,293            | 3,763,778               | 2,486,879               | 416,468                  | 1,706,133                                  | 6,893,166                | 17,129,717           |
| Deferred revenues                     | -                    | -                       | -                       | -                        | 8,600                                      | 11,755                   | 20,355               |
| Other liabilities                     | 2,158                | -                       | -                       | -                        | -  | 3,235                    | 5,393                |
| <b>Total liabilities</b>              | <b>19,011,802</b>    | <b>3,974,667</b>        | <b>2,531,583</b>        | <b>440,363</b>           | <b>1,715,419</b>                           | <b>7,447,766</b>         | <b>35,121,600</b>    |

See accompanying notes to the financial statements.

BALANCE SHEET  
GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
June 30, 2006

|  | General<br>Fund      | One Cent<br>Sales Tax<br>Fund | 3/4 Cent<br>Sales Tax<br>Fund | School<br>Food Service<br>Fund | NCLB Title I<br>Disadvantaged<br>Schoolwide<br>Fund | Other<br>Governmental<br>Funds | Total                |
|--|----------------------|-------------------------------|-------------------------------|--------------------------------|---|--------------------------------|----------------------|
| <b>Fund balance:</b>                     |                      |                               |                               |                                |   |                                |                      |
| <b>Reserved:</b>                         |                      |                               |                               |                                |   |                                |                      |
| Capital contracts                        | 500,000              | 1,737,020                     | -                             | -                              | -   | 304,583                        | 2,541,603            |
| Deposits                                 | 100                  | -                             | -                             | -                              | -   | -                              | 100                  |
| <b>Unreserved:</b>                       |                      |                               |                               |                                |   |                                |                      |
| <b>Designated:</b>                       |                      |                               |                               |                                |   |                                |                      |
| Subsequent year's expenditures           | -                    | -                             | 866,480                       | -                              | -   | -                              | 866,480              |
| Capital contracts                        | -                    | 157,040                       | -                             | -                              | -   | 1,755,641                      | 1,912,681            |
| Employee compensation                    | -                    | 5,543,443                     | -                             | -                              | -   | -                              | 5,543,443            |
| Instructional programs                   | -                    | -                             | 1,880,425                     | -                              | -   | 30,736                         | 1,911,161            |
| Technology                               | -                    | 1,437,590                     | -                             | -                              | -   | -                              | 1,437,590            |
| Undesignated                             | 19,827,353           | -                             | -                             | 1,547,273                      | -   | 1,365,484                      | 22,740,110           |
| <b>Total fund balances</b>               | <u>20,327,453</u>    | <u>8,875,093</u>              | <u>2,746,905</u>              | <u>1,547,273</u>               | <u>-</u>  | <u>3,456,444</u>               | <u>36,953,168</u>    |
| <b>Total liabilities and fund equity</b> | <u>\$ 39,339,255</u> | <u>\$ 12,849,760</u>          | <u>\$ 5,278,488</u>           | <u>\$ 1,987,636</u>            | <u>\$ 1,715,419</u>                                 | <u>\$ 10,904,210</u>           | <u>\$ 72,074,768</u> |

See accompanying notes to the financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
Terrebonne Parish School Board  
June 30, 2006

|  |                     |                      |
|--|---------------------|----------------------|
| Total fund balances - Governmental Funds           |                     | \$ 36,953,168        |
| Cost of capital assets at June 30, 2006            | 115,518,511         |                      |
| Less: Accumulated Depreciation as of June 30, 2006 |                     |                      |
| Buildings and improvements                         | (54,233,945)        |                      |
| Furniture and equipment                            | (8,373,011)         |                      |
| Vehicles   | <u>(2,914,563)</u>  | 49,996,992           |
| Consolidation of internal service funds            |                     | 5,330,398            |
| Elimination of interfund assets and liabilities    |                     |                      |
| Due from other funds                               | 17,321,217          |                      |
| Due to other funds                                 | <u>(17,321,217)</u> | -                    |
| Accrued interest payable at June 30, 2006          |                     | (20,398)             |
| Long-term liabilities at June 30, 2006             |                     |                      |
| Certificates of indebtedness                       | (1,585,000)         |                      |
| Installment purchase agreements                    | (43,150)            |                      |
| QZAB Loans   | (711,787)           |                      |
| Compensated absences payable                       | <u>(6,434,783)</u>  | <u>(8,774,720)</u>   |
| Total net assets - Governmental Activities         |                     | <u>\$ 83,485,440</u> |

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

| REVENUES  | General Fund | One Cent Sales Tax Fund | 3/4 Cent Sales Tax Fund | School Food Service Fund | NCLB Title I Disadvantaged Schoolwide Fund | Other Governmental Funds | Total        |
|---|--------------|-------------------------|-------------------------|--------------------------|--|--------------------------|--------------|
|   |              |                         |                         |                          |  |                          |              |
| Local sources:  |              |                         |                         |                          |  |                          |              |
| Ad valorem tax  | \$ 4,481,787 | \$ -                    | \$ -                    | \$ -                     | \$ -                                       | \$ 707                   | \$ 4,482,494 |
| Sales and use tax   | 7,432,673    | 22,297,984              | 16,723,516              | -                        | -  | -                        | 46,454,173   |
| Deductions from parish taxes (1%) for contribution to Teachers Retirement |              |                         |                         |                          |  |                          |              |
| Rents, leases, royalties  | 468,465      | -                       | -                       | -                        | -  | -                        | 468,465      |
| Tuition   | 3,686,509    | -                       | -                       | -                        | -  | -                        | 3,686,509    |
| Interest earned   | 460,327      | -                       | -                       | -                        | -  | -                        | 460,327      |
| Charges for services  | 540,160      | 334,826                 | 134,076                 | 55,275                   | -  | 13,812                   | 1,078,149    |
| Other local revenue   | -            | -                       | -                       | 1,238,962                | -  | -                        | 1,238,962    |
| State sources:  |              |                         |                         |                          |  |                          |              |
| Equalization  | 513,849      | 60,820                  | -                       | 13,148                   | 2,032                                      | 507,501                  | 1,097,350    |
| Revenue sharing   | 74,708,105   | -                       | -                       | 316,987                  | -  | 743,153                  | 75,768,245   |
| Professional Imp. Program Support   | 224,656      | -                       | -                       | -                        | -  | -                        | 224,656      |
| Contribution to Teachers Ret. System                                      | 249,922      | -                       | -                       | -                        | -  | -                        | 249,922      |
| Other state grants  | 29,903       | -                       | -                       | -                        | -  | -                        | 29,903       |
| Federal sources   | 1,121,624    | -                       | -                       | -                        | -  | 3,029,169                | 4,150,793    |
|   | 222          | -                       | -                       | 5,528,893                | 5,784,027                                  | 15,891,544               | 27,204,686   |
| Total revenues  | 93,918,202   | 22,693,630              | 16,857,592              | 7,153,265                | 5,786,059                                  | 20,185,886               | 166,594,634  |

## EXPENDITURES

## Current:

|                        |            |           |         |   |           |           |            |
|------------------------|------------|-----------|---------|---|-----------|-----------|------------|
| Instruction:           |            |           |         |   |           |           |            |
| Regular                | 39,526,116 | 8,382,310 | 827,253 | - | -         | 5,825,886 | 54,561,565 |
| Special                | 15,021,206 | 2,726,959 | 2,240   | - | -         | 2,412,470 | 20,162,875 |
| Adult education        | 10,367     | 57,200    | -       | - | -         | 404,707   | 472,274    |
| Vocational education   | 2,860,976  | 463,558   | 61,376  | - | -         | 307,174   | 3,693,084  |
| Other programs         | 3,050,594  | 1,159,513 | 103,403 | - | 4,318,859 | 2,682,718 | 11,315,087 |
| Support services:      |            |           |         |   |           |           |            |
| Pupil Support          | 3,748,179  | 763,737   | 36      | - | 320,753   | 1,818,370 | 6,651,074  |
| Instructional staff    | 4,280,552  | 838,192   | 26,479  | - | 699,051   | 2,032,259 | 7,876,533  |
| General Administration | 1,026,648  | 208,647   | 112,477 | - | 2,425     | 21,246    | 1,371,443  |
| School Administration  | 5,718,020  | 807,188   | 4,750   | - | 5,600     | 138,500   | 6,674,058  |
| Business services      | 1,262,034  | 130,842   | 28      | - | 30,291    | 38,590    | 1,461,785  |
| Plant Services         | 9,682,178  | 868,395   | -       | - | 81,652    | 1,034,037 | 11,666,262 |

See accompanying notes to the financial statements.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS

Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|   | General Fund  | One Cent Sales Tax Fund | 3/4 Cent Sales Tax Fund | School Food Service Fund | NCLB Title I Disadvantaged Schoolwide Fund | Other Governmental Funds | Total         |
|---|---------------|-------------------------|-------------------------|--------------------------|--|--------------------------|---------------|
| <b>EXPENDITURES (CONTINUED)</b>   |               |                         |                         |                          |  |                          |               |
| Food Service  | 535,208       | 772,042                 | -                       | 7,692,293                | -  | 234,259                  | 9,233,802     |
| Student transportation  | 6,112,004     | 706,293                 | -                       | -                        | 177,076                                    | 673,845                  | 7,669,218     |
| Central services  | 812,577       | 217,808                 | -                       | -                        | 591  | 15,374                   | 1,046,350     |
| Community services  | -             | -                       | -                       | -                        | 83,121                                     | 14,891                   | 98,012        |
| Facilities acquisition  | 285,046       | 881,722                 | -                       | -                        | 20,931                                     | 726,218                  | 1,913,917     |
| Debt Service:   |               |                         |                         |                          |  |                          |               |
| Principal retirement  | 701,693       | -                       | -                       | -                        | -  | -                        | 701,693       |
| Interest and bank charges   | 60,575        | -                       | -                       | -                        | -  | -                        | 60,575        |
| Total expenditures  | 94,693,973    | 18,984,406              | 1,138,041               | 7,692,293                | 5,740,350                                  | 18,380,544               | 146,629,607   |
| Excess (deficiency) of revenues over expenditures   | (775,771)     | 3,709,224               | 15,719,551              | (539,028)                | 45,709                                     | 1,805,342                | 19,965,027    |
| <b>OTHER FINANCING SOURCES (USES)</b>   |               |                         |                         |                          |  |                          |               |
| Operating transfers in  | 18,605,717    | -                       | -                       | 509,423                  | -  | 4,340,823                | 23,455,963    |
| Operating transfers out   | (4,603,139)   | (1,200,000)             | (14,505,488)            | (250,000)                | -  | (4,697,336)              | (25,255,963)  |
| Indirect costs  | 515,837       | -                       | -                       | -                        | (45,709)                                   | (470,128)                | -             |
| Other sources   | 36,853        | -                       | -                       | -                        | -  | 1,822,749                | 1,859,602     |
| Total other financing sources (uses)  | 14,555,268    | (1,200,000)             | (14,505,488)            | 259,423                  | (45,709)                                   | 996,108                  | 59,602        |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b> | 13,779,497    | 2,509,224               | 1,214,063               | (279,605)                | -  | 2,801,450                | 20,024,629    |
| <b>FUND BALANCES</b>  |               |                         |                         |                          |  |                          |               |
| Beginning of year   | 6,547,956     | 6,365,869               | 1,502,842               | 1,826,878                | -  | 654,994                  | 15,898,539    |
| Equity transfer   | -             | -                       | 30,000                  | -                        | -  | -                        | 30,000        |
| End of year   | \$ 20,327,453 | \$ 8,875,093            | \$ 2,746,905            | \$ 1,547,273             | \$ -                                       | \$ 3,456,444             | \$ 36,953,168 |

See accompanying notes to the financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
 STATEMENT OF ACTIVITIES  
 Terrebonne Parish School Board  
 For the Year Ended June 30, 2006**

|   |                  |                    |                      |
|---|------------------|--------------------|----------------------|
| Total Net Changes in Fund Balance - Governmental Funds  |                  |                    | \$ 20,024,629        |
| Capital Assets:   |                  |                    |                      |
| Capital outlay  |                  | \$ 3,233,354       |                      |
| Cost of disposed capital assets                         | \$ (1,924,062)   |                    |                      |
| Accumulated depreciation on disposed capital assets     | <u>1,883,181</u> |                    |                      |
| Net book value of disposed capital assets               |                  | (40,881)           |                      |
| Depreciation expense for the year ended June 30, 2006   |                  | <u>(3,160,159)</u> | 32,314               |
| Change in net assets of internal service funds          |                  |                    | (1,104,766)          |
| Operating transfers in internal service funds           |                  |                    | 1,800,000            |
| Long-Term Debt:   |                  |                    |                      |
| Principal portion of debt service payments              |                  | 701,693            |                      |
| Excess of interest accrued over interest paid           |                  | (20,398)           |                      |
| Excess of earned amounts used over compensated absences |                  | <u>(193,483)</u>   | <u>487,812</u>       |
| Change in Net Assets - Governmental Activities          |                  |                    | <u>\$ 21,239,989</u> |

STATEMENT OF NET ASSETS  
 PROPRIETARY FUND TYPES  
 Terrebonne Parish School Board  
 June 30, 2006

|   | Enterprise<br>Fund | Internal<br>Service Funds | Total                |
|---|--------------------|---------------------------|----------------------|
| <b>ASSETS</b>   |                    |                           |                      |
| Cash  | \$ 62,575          | \$ 11,829,293             | \$ 11,891,868        |
| Cash with fiscal agents                                     | -                  | 87,418                    | 87,418               |
| Rentals, leases and royalties                               | 2,637              | -                         | 2,637                |
| Other receivables   | -                  | 1,876                     | 1,876                |
| Due from other funds  | -                  | 349,475                   | 349,475              |
| Deposits  | 145                | -                         | 145                  |
| Prepaid expenses  | 3,817              | 66,904                    | 70,721               |
| Fixed assets (net of \$190,650<br>accumulated depreciation) | 322,959            | -                         | 322,959              |
| Total assets  | <u>\$ 392,133</u>  | <u>\$ 12,334,966</u>      | <u>\$ 12,727,099</u> |
| <b>LIABILITIES</b>  |                    |                           |                      |
| Accounts payable  | \$ 605             | \$ -                      | \$ 605               |
| Accrued employee benefits                                   | -                  | 6,813,068                 | 6,813,068            |
| Due to other funds  | 1,331              | 191,500                   | 192,831              |
| Deferred revenues   | 1,741              | -                         | 1,741                |
| Other liabilities   | 850                | -                         | 850                  |
| Total liabilities   | <u>4,527</u>       | <u>7,004,568</u>          | <u>7,009,095</u>     |
| <b>NET ASSETS</b>   |                    |                           |                      |
| Reserved:   |                    |                           |                      |
| Uninsured losses  | -                  | 1,060,208                 | 1,060,208            |
| Unreserved  | 387,606            | 4,270,190                 | 4,657,796            |
| Total net assets  | <u>387,606</u>     | <u>5,330,398</u>          | <u>5,718,004</u>     |
| Total liabilities and net assets                            | <u>\$ 392,133</u>  | <u>\$ 12,334,966</u>      | <u>\$ 12,727,099</u> |

STATEMENT OF CHANGES IN NET ASSETS  
 PROPRIETARY FUND TYPES  
 Terrebonne Parish School Board  
 For the Year Ended June 30, 2006

|                                      | Enterprise<br>Fund | Internal<br>Service Funds | Total        |
|--------------------------------------|--------------------|---------------------------|--------------|
| <b><u>OPERATING REVENUES</u></b>     |                    |                           |              |
| Property rentals                     | \$ 58,658          | \$ -                      | \$ 58,658    |
| Insurance premium billings           | -                  | 24,898,031                | 24,898,031   |
| Recoveries of insurance cases        | -                  | 280,747                   | 280,747      |
| Other                                | 2,267              | -                         | 2,267        |
| Total operating revenues             | 60,925             | 25,178,778                | 25,239,703   |
| <b><u>OPERATING EXPENSES</u></b>     |                    |                           |              |
| General administration               | 15,880             | 8,520                     | 24,400       |
| Purchased services                   | 8,881              | -                         | 8,881        |
| Insurance                            | 6,753              | -                         | 6,753        |
| Depreciation                         | 17,512             | -                         | 17,512       |
| Reinsurance and administrative fee   | -                  | 2,434,053                 | 2,434,053    |
| Claims expense                       | -                  | 24,289,733                | 24,289,733   |
| Total operating expenses             | 49,026             | 26,732,306                | 26,781,332   |
| Operating income (loss)              | 11,899             | (1,553,528)               | (1,541,629)  |
| <b><u>NON-OPERATING REVENUES</u></b> |                    |                           |              |
| Interest earned                      | -                  | 448,762                   | 448,762      |
| Operating transfers in               | -                  | 1,800,000                 | 1,800,000    |
| Total non-operating revenues         | -                  | 2,248,762                 | 2,248,762    |
| Change in net assets                 | 11,899             | 695,234                   | 707,133      |
| <b><u>NET ASSETS</u></b>             |                    |                           |              |
| Beginning                            | 405,707            | 4,635,164                 | 5,040,871    |
| Equity transfers                     | (30,000)           | -                         | (30,000)     |
| Ending                               | \$ 387,606         | \$ 5,330,398              | \$ 5,718,004 |



STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPES  
 Terrebonne Parish School Board  
 For the Year Ended June 30, 2006

|   | <u>Enterprise</u> | <u>Internal<br/>Service</u> |
|---|-------------------|-----------------------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>  |                   |                             |
| Received from rentals   | \$ 57,656         | \$ -                        |
| Received from assessments made to other funds   | -                 | 25,237,999                  |
| Payments for claims   | -                 | (24,372,961)                |
| Payments for reinsurance and administrative fees  | -                 | (2,442,573)                 |
| Payments for operating expenses   | (30,178)          | -                           |
| Other operating revenues  | 2,267             | 5,110                       |
| Cash provided (used) by operating activities  | <u>29,745</u>     | <u>(1,572,425)</u>          |
| <b><u>CASH FLOWS FROM NON-OPERATING ACTIVITIES</u></b>  |                   |                             |
| Operating transfers in  | -                 | 1,800,000                   |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>  |                   |                             |
| Interest income   | -                 | 448,762                     |
| <b><u>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</u></b>                        |                   |                             |
| Equity transfer to Special Revenue Fund   | <u>(30,000)</u>   | <u>-</u>                    |
| <b><u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u></b>                                | <u>(255)</u>      | <u>676,337</u>              |
| <b><u>CASH AND CASH EQUIVALENTS AT</u></b>  |                   |                             |
| Beginning of year   | <u>62,830</u>     | <u>11,240,374</u>           |
| End of year   | <u>\$ 62,575</u>  | <u>\$ 11,916,711</u>        |
| <b><u>CASH AND CASH EQUIVALENTS AT END OF YEAR CONSISTED OF</u></b>                               |                   |                             |
| Cash  | \$ 62,575         | \$ 11,829,293               |
| Cash with fiscal agent  | -                 | 87,418                      |
|   | <u>\$ 62,575</u>  | <u>\$ 11,916,711</u>        |
| <b><u>RECONCILIATION OF OPERATING INCOME TO NET<br/>CASH PROVIDED BY OPERATING ACTIVITIES</u></b> |                   |                             |
| Operating income (loss)   | \$ 11,899         | \$ (1,553,528)              |
| Adjustments to reconcile operating income to net cash<br>provided by operating activities:        |                   |                             |
| Depreciation  | 17,512            | -                           |
| Change in assets and liabilities:   |                   |                             |
| Receivables   | -                 | (155,689)                   |
| Other assets  | (1,563)           | -                           |
| Prepaid expenses  | (181)             | -                           |
| Accounts payable and other liabilities  | 2,078             | 136,792                     |
| Total adjustments   | <u>17,846</u>     | <u>(18,897)</u>             |
| Net cash provided (used) by operating activities  | <u>\$ 29,745</u>  | <u>\$ (1,572,425)</u>       |

STATEMENT OF FIDUCIARY NET ASSETS  
Terrebonne Parish School Board  
June 30, 2006

|  | Employee Benefit<br>Trust Fund -<br>IRC Section<br>125 Plan | Agency Fund -<br>School<br>Activity Fund | Totals              |
|--|---|--|---------------------|
| <u>ASSETS</u>                          |   |  |                     |
| Cash                                   | \$ 11,624   | \$ 2,860,498                             | \$ 2,872,122        |
| Total assets                           | <u>\$ 11,624</u>  | <u>\$ 2,860,498</u>                      | <u>\$ 2,872,122</u> |
| <u>LIABILITIES</u>                     |   |  |                     |
| Due to other funds                     | \$ 51   | \$ -                                     | \$ 51               |
| Other liabilities                      | <u>-</u>  | <u>2,860,498</u>                         | <u>2,860,498</u>    |
| Total liabilities                      | <u>51</u>   | <u>\$ 2,860,498</u>                      | <u>\$ 2,860,549</u> |
| <u>NET ASSETS</u>                      |   |  |                     |
| Held in trust for<br>employee benefits | <u>\$ 11,573</u>  |  | <u>\$ 11,573</u>    |

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|                                   | <u>Employee Benefit<br/>Trust Fund -<br/>IRC Section<br/>125 Plan</u> |
|-----------------------------------|---|
| <u>ADDITIONS</u>                  |   |
| Contributions by employees        | \$ 58,138   |
| <u>DEDUCTIONS</u>                 |   |
| Disbursements for employee claims | <u>59,693</u>   |
| Change in net assets              | (1,555)   |
| Net Assets - beginning            | <u>13,128</u>   |
| Net Assets - ending               | <u>\$ 11,573</u>  |

**CONTENTS OF NOTES TO FINANCIAL STATEMENTS**  
**Terrebonne Parish School Board**  
**June 30, 2006**

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**Terrebonne Parish School Board**  
**June 30, 2006**

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**NOTES TO FINANCIAL STATEMENTS**  
**Terrebonne Parish School Board**  
**June 30, 2006**

**1) REPORTING ENTITY**

The Terrebonne Parish School Board (School Board) is a legislative body created under Louisiana Revised Statute 17:51. The School Board has the power to make rules and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the State Board of Elementary and Secondary Education. The School Board consists of nine members elected by Districts. The School Board is authorized to establish public schools as it deems necessary to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed and to determine local supplements to their salaries. Accordingly, the School Board is defined as a primary government that meets the criteria as defined by governmental accounting standards. It has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments.

The School Board administration and instruction facilities are composed of a central office, 41 schools and two educational support facilities. Student enrollment for the 2005/2006 year is approximately 19,982 regular and special education students. The School Board employs approximately 2,575 persons of which 2,265 are directly involved in the instructional and instructional support process. The remainder provides ancillary support such as general administration, repair and maintenance, bus transportation, etc. The regular school term normally begins during the middle of August and runs until late May.

**2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the School Board conform to accounting principles accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of certain significant accounting policies:

**a) Government-wide and Fund Financial Statements:**

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the Terrebonne Parish School Board. For the most part, the effect of the interfund activity has been removed from these statements. The statements distinguish governmental activities, generally supported by taxes and other general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

b) Measurement Focus, Basis of Accounting and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales and use tax revenues are recognized in the period in which the underlying exchange transaction has occurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Other financing sources (uses) are shown in the fund financial statements and represent non-revenue inflows and non-expenditure outflows that affect fund balance. This section includes items such as transfers between funds that are not expected to be repaid, capital lease transactions, insurance proceeds, debt

extinguishments, long-term debt proceeds, et cetera. These other financing sources (uses) are recognized at the time the underlying events occur.

c) Fund Types and Major Funds:

Governmental Funds:

Governmental Funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable resources are accounted for through governmental funds.

MAJOR FUNDS

General Fund -- the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in other funds.

One Cent Sales Tax Fund -- accounts for the proceeds of a one cent local sales tax dedicated as described in Footnote 4c.

$\frac{3}{4}$  Cent Sales Tax Fund -- accounts for the proceeds of a three quarters of one percent local sales tax dedicated as described in Footnote 4b.

School Food Service Fund -- accounts for the operations of the School Board's lunch, breakfast and summer feeding programs.

NCLB Title I Disadvantaged Schoolwide Fund -- accounts for federally funded services provided to educationally disadvantaged children.

NON-MAJOR FUNDS

Special Revenue Funds -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds -- account for the financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in other government funds.

Debt Service Fund -- accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term debt account group.

Proprietary Funds:

Proprietary Funds are used to account for the School Board's ongoing activities which are similar to those often found in the private sector.



Enterprise Fund - accounts for operations that are financed through fees charged to external parties and operated in a manner similar to private business enterprises. The School Board maintains an enterprise fund to account for Terrebonne Construction Company, an equity investment received as a donation.

Internal Service Funds - account for the group health insurance, workers compensation insurance and property and casualty insurance services provided to other departments on a cost-reimbursement basis. Internal service funds are proprietary fund types that differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

Fiduciary Funds:

Fiduciary Funds are used to account for assets held by the School Board in a trustee or agency capacity.

Agency funds - account for cash held by the School Board as an agent. Agency funds are a fiduciary fund type, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The School Board has elected not to follow subsequent private-sector guidance.

The effect of interfund activity has been eliminated from the government-wide financial statements.

Program revenues included in the Statement of Activities derive directly from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from general revenues. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The School Board reports all direct expense by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

Indirect expense of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "General Administration" function due to the fact that school buildings serve many purposes. Interest on general long-term debt is considered an indirect expense and is reported separately of the Statement of Activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service funds are charges to the other funds for workers compensation insurance. The operating cost of the internal service fund includes the claims and reinsurance expenses of the program. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

d) Operating Budgetary Data and Encumbrances:

State law requires that parish school boards adopt a budget of expected revenues and probable expenditures not later than September 15. The proposed budgets for the fiscal year beginning July 1, 2005, and ending June 30, 2006 were presented to the Board Finance Committee and made available for public inspection on May 10, 2005. Pursuant to publication of a public notice on May 11, 2005, public hearings were conducted and the Board adopted such budgets on July 5, 2005. Subsequent to adoption, an appropriate public notice was published in the official journal. The General Fund Budget was approved by the State Department of Education by letter dated January 1, 2006.

The budget was prepared on the modified accrual basis of accounting and included proposed expenditures and means of financing them. Formal budgetary integration within the accounting records is employed to facilitate management control. Budget amounts included in the accompanying financial statements include the original adopted budgets and all subsequent board approved amendments thereto. Budget amounts which are not expended or obligated through contract lapse at year end.

The budget resolution defines by generic fund type the authority of the board and its principal operating officers to effect amendments to the original operating budgets. As it relates to the General Operating Fund, the Superintendent and Director of Finance, jointly, are authorized to reallocate amounts within internal functional areas. Budgets for state and federal special revenue funds are approved by the appropriate regulatory authority and subsequently adopted by the board; expenditures may not exceed budgeted amounts unless a budget

revision is approved by the regulatory authority. Encumbrance accounting practices, under which contracts and other commitments for the expenditure of monies are recorded to reserve that portion of the applicable appropriation, is employed in the special revenue funds to control program expenditures. Encumbrances outstanding at year end are reported as reservations of fund balances because they do not constitute expenditures or liabilities.

State law provides that when actual revenues within a fund are failing to meet estimated annual budgeted revenues, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment shall be adopted by the board in an open meeting.

e) Cash and Investments:

Excess cash balances of all funds are invested to the extent possible in direct obligations of the United States Government, certificates of deposit and other allowable short-term obligations. Interest bearing checking accounts are used to the extent possible. Investments are stated at cost, which approximates market. The School Board had no investments at June 30, 2006. Deposits are secured through the pledge of bank-owned securities or Federal deposit insurance. Under state law, the School Board may invest in obligations of the State of Louisiana or any board, commission or divisions thereof, bonds of any parish, school board, or municipality, and bonds or obligations of the United States.

f) Cash Equivalents:

For purposes of the Statement of Cash Flows – Proprietary Fund Types, all investments with an original maturity date of 3 months or less are considered cash equivalents.

g) Inventory:

Inventories of the School Food Service Fund are accounted for using the consumption method of accounting where expenditures are recognized as inventory is used. Inventories consist of purchased food, lunchroom materials, supplies and donated commodities. Such inventories are recorded as an expense at the time individual inventory items are used utilizing the consumption method.

h) Capital Assets:

Land, land improvements and vehicles are stated at cost. Buildings constructed or acquired prior to June 30, 1996 are stated at estimated historical cost. Buildings constructed, acquired or improved subsequent to June 30, 1996 are stated at cost. Furniture and equipment are stated at cost, or at estimated historical cost when costs could not be determined from available records. All

future acquisitions of general fixed assets will be recorded at cost. No interest has been capitalized.

Capital Assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Asset Type</u>      | <u>Years</u> |
|------------------------|--------------|
| Land Improvements      | 20           |
| Buildings              | 40           |
| Furniture and Fixtures | 5 - 12       |
| Vehicles               | 5 - 15       |

i) **Compensated Absences:**

The School Board has three types of compensated absences which accumulate or vest as follows:

1. Sick Leave - Upon the beginning of a new year, each employee is entitled to one day of sick leave per month employed in a fiscal year, with a minimum of ten days allowed per year. Sick leave may be accumulated without limit; however, employees are reimbursed only for accumulated sick leave up to twenty-five days upon death or retirement. Sick leave benefits are accrued in the period in which earned at the most recent base rate of pay, exclusive of supplemental pay.
2. Sabbatical Leave - A certified teacher with a valid teaching certificate is entitled, subject to approval by the School Board, to sabbatical leave as follows:
  - a. One semester after completion of six or more consecutive semesters of employment in the Parish;
  - b. Two semesters after completion of twelve or more consecutive semesters of employment in the Parish.

Leave may be granted for rest and recuperation or professional and cultural improvement. Sabbatical leave benefits are recorded as an expenditure of the period in which paid.

3. Annual Leave - All 12 month full-time employees earn 5 to 20 days of annual leave depending on date of employment and length of service with the School Board. Annual leave may be accumulated without limit.

The cost of current sick leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current year expenditures in the governmental funds when leave is taken. The liability for these sick leave privileges not requiring current resources is recorded as long-term debt in the Government-Wide Financial Statements.

j) Long-Term Obligations:

Bond premiums and discounts, as well as issuing costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing sources. Long-term obligations expected to be financed from governmental funds are accounted for as liabilities in the Government-Wide Financial Statements (GWFS). Expenditures for principal and interest payments for long-term debt are recognized in the governmental funds when due.

k) Equity Classifications:

Equity is classified as net assets and displayed in three components in the Government-Wide Financial Statements as follows:

- o Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- o Restricted net assets – consists of net assets which constraints placed on use by either 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- o Unrestricted net assets – consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of debt."

Equity in the Fund Financial Statements (FFS) is classified as fund balance. Fund balances are further classified as reserved and unreserved.

Reserves on the governmental funds represent portions of fund balances which are not appropriable for expenditures or have been segregated for specific future uses, while designations of fund balances represent tentative plans for financial resource utilization in a future period.

l) Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to

make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3) DEPOSITS

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. School Board deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. The pledged securities are held in the name of the pledging bank in a custodial financial institution.

Balances of interest-bearing demand deposits at June 30, 2006 were as follows:

|                    | <u>Book<br/>Balances</u> | <u>Bank<br/>Balances</u> |
|--------------------|--------------------------|--------------------------|
| Governmental funds | \$ 36,784,443            | \$ 39,029,208            |
| Proprietary funds  | 11,891,868               | 12,860,271               |
| Agency funds       | <u>2,872,122</u>         | <u>2,965,299</u>         |
|                    | <u>\$ 51,548,433</u>     | <u>\$ 54,854,778</u>     |

These deposits are stated at cost, which approximates market. These deposits are secured from risk by \$100,000 of federal deposit insurance and \$57,582,868 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

While securities pledged in such a manner are considered uncollateralized under provisions of the Governmental Accounting Standards Boards, Louisiana law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of notice by the School Board that the fiscal agent bank has failed to pay deposited funds upon demand.

4) **SALES TAXES**

Sales taxes accrued at year end represent those amounts that are both measurable and available. The tax payments are collected by the Parish of Terrebonne, Sales and Use Tax Department, and are remitted to the School Board.

- a) The School Board levies a one-third of one percent sales and use tax, with the receipts deposited in the General Operating Fund; the tax is dedicated to the payment of salaries of teachers and other board employees. This revenue was \$7,432,673 for the year ended June 30, 2006.
- b) The School Board also levies a three-quarters of one percent sales and use tax with the receipts being deposited in the 3/4 Cent Sales Tax Special Revenue Fund of 1975. This revenue was \$16,723,516 for the year ended June 30, 2006. These sales tax proceeds are dedicated and used as follows:

Fifty percent of the net tax collections and all interest earned on fund investments are used to assist in the payment of salaries and employee benefits.

Thirty percent of the net tax collections are for acquiring, constructing, and installing air conditioning equipment and facilities in the public schools and payment of the costs and expenses of operating utilities, maintenance and operations, replacement of equipment, and assistance to the maintenance and operation of the entire physical plant of the Terrebonne Parish School System. In addition, the ordinance allows the sales tax to fund bonds used for the purpose of acquiring, constructing, and installing air conditioning equipment and facilities.

Twenty percent of the tax revenues are for the costs and expenses of an instructional program for the Terrebonne Parish Public School System based upon individual school budgets established upon a minimum allocation of \$20 per elementary student and \$25 per secondary student to purchase instructional materials, supplies, and/or equipment for such schools.

Operating transfers are made from these allocations to the General Operating Fund and other funds. In any fiscal year in which the dedicated expenditures described above exceed the current year's allocated revenue, equity transfers may include such additional amounts as are necessary and available to fund fully such expenditures. An analysis of activity in the ¾ Cent Sales Tax Special Revenue Fund follows:

|  | Total         | Salaries &<br>Fringe Benefits | Plant<br>Operations &<br>Debt Service | Instructional<br>Programs |
|--|---------------|-------------------------------|---------------------------------------|---------------------------|
| Revenues   |               |                               |                                       |                           |
| Sales and use tax  | \$ 16,723,516 | \$ 8,361,758                  | \$ 5,017,055                          | \$ 3,344,703              |
| Interest earned  | 134,076       | 134,076                       | -                                     | -                         |
| Total revenues   | 16,857,592    | 8,495,834                     | 5,017,055                             | 3,344,703                 |
| Expenditures   | 1,138,042     | 56,239                        | 33,743                                | 1,048,060                 |
| Revenues over expenditures   | 15,719,550    | 8,439,595                     | 4,983,312                             | 2,296,643                 |
| Other financing sources (uses):  |               |                               |                                       |                           |
| Operating transfers out  | (14,505,487)  | (8,439,595)                   | (4,983,312)                           | (1,082,580)               |
| Excess of revenues over<br>expenditures and operating<br>transfers out | 1,214,063     | -                             | -                                     | 1,214,063                 |
| Fund Balance:  |               |                               |                                       |                           |
| Beginning of year  | 1,502,842     | -                             | -                                     | 1,502,842                 |
| Equity transfer  | 30,000        | -                             | -                                     | 30,000                    |
| End of year  | \$ 2,746,905  | \$ -                          | \$ -                                  | \$ 2,746,905              |

Sales tax revenues collected in the ¾ Cent Sales Tax Fund are being collected, separated and expended in accordance with the proposition passed by the voters of Terrebonne Parish.

- c) On April 20, 1996, the citizens of Terrebonne Parish authorized a 1% sales tax effective for July 1, 1996 to be deposited into a new fund named the One Cent Sales Tax Fund of 1996. The revenue for the 1% sales tax at June 30, 2006 is \$22,297,984 and dedicated as follows:
- 1) 83% of revenues for paying increased compensation and related employment costs of teachers and other full-time personnel except management positions;



- 2) 8 1/2% for providing operating and maintaining computers and high technology;
- 3) 8 1/2% for replacement, repair and maintenance of roofs and mechanical equipment.

An analysis of activity in the One Cent Sales Tax Fund of 1996 follows:

|   | Total               | Salaries &<br>Fringe Benefits | Technology          | Maintenance<br>of Roofs &<br>Mechanical<br>Equipment |
|---|---------------------|-------------------------------|---------------------|--|
| Revenues  |                     |                               |                     |  |
| Sales and use tax   | \$ 22,297,985       | \$ 18,507,327                 | \$ 1,895,329        | \$ 1,895,329   |
| Interest earned   | 334,826             | 334,826                       | -                   | -  |
| Other revenues  | 60,820              | -                             | 60,820              | -  |
| Total revenues  | 22,693,631          | 18,842,153                    | 1,956,149           | 1,895,329  |
| Expenditures  | 20,184,407          | 17,243,424                    | 2,178,546           | 762,437  |
| Excess (deficit) of revenues<br>over expenditures                     | 2,509,224           | 1,598,729                     | (222,397)           | 1,132,892  |
| Operating transfers in (out)  | -                   | -                             | -                   | -  |
| Excess (deficit) of revenues<br>and transfers in over<br>expenditures | 2,509,224           | 1,598,729                     | (222,397)           | 1,132,892  |
| Fund Balance:   |                     |                               |                     |  |
| Beginning of year   | 6,365,869           | 3,944,714                     | 1,659,987           | 761,168  |
| End of year   | <u>\$ 8,875,093</u> | <u>\$ 5,543,443</u>           | <u>\$ 1,437,590</u> | <u>\$ 1,894,060</u>                                  |

Sales tax revenues collected in the One Cent Sales Tax Fund of 1996 are being collected, separated and expended in accordance with the proposition passed by the voters of Terrebonne Parish.

5) AD VALOREM TAXES

Ad Valorem taxes are levied on November 1 of each year on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. The taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A re-evaluation of all property is required to be completed no less than every four years. The last re-evaluation was completed for the 2004 Tax Roll.

The assessed values of the Parish upon which the 2005 levy were based is as follows:

| ASSESSED VALUES          |                       |
|--------------------------|-----------------------|
| Gross                    | \$ 646,663,595        |
| Less Homestead Exemption | <u>157,674,555</u>    |
| Taxable Property         | <u>\$ 488,989,040</u> |

Total Ad Valorem tax revenue collected for the year ended June 30, 2006 was \$4,482,283. Also included in ad valorem taxes on the financial statement is \$126,078 of prior year protest taxes collected and interest and penalties.

The following is a summary of the authorized and levied ad valorem tax millages and gross tax revenue assessed for the 2005 tax rolls:

|                         | <u>Authorized<br/>Millage</u> | <u>Levied<br/>Millage</u> | <u>Gross Tax<br/>Levy</u> |
|-------------------------|-------------------------------|---------------------------|---------------------------|
| Parish Wide Taxes:      |                               |                           |                           |
| Constitutional tax      | 3.99                          | 3.76                      | \$ 2,431,460              |
| Special maintenance tax | 5.60                          | <u>5.28</u>               | <u>3,414,390</u>          |
| Totals                  |                               | <u>9.04</u>               | <u>\$ 5,845,850</u>       |

The Constitutional tax millage and the Special Maintenance tax millage are to be used to maintain and operate the present school system. The Constitutional tax is authorized to be levied by the Board without referendum. The Special Maintenance tax is levied pursuant to a referendum for a period of ten years expiring in the year 2010.

The School Board levied taxes at \$9.04 per \$1,000 of assessed valuation on property within Terrebonne Parish for general school services and maintenance of school system operations. Of the total millage levy on the 2005 tax rolls, 9.04 mills were levied for Constitutional and Special Maintenance taxes.

Property taxes are recorded as revenue by the School Board in the year the taxes are levied. Property taxes which are paid under protest are recorded as deferred revenue in the year the taxes are received and are held until settled. Property tax revenues are accrued at year end to the extent that they are measurable and estimated to become available to finance current operations. Delinquent taxes considered to be uncollectible are not recorded as revenues, consequently, no allowance for uncollected taxes is considered necessary. Such revenues are based on total tax levies less exempt taxes due to the general homestead exemption. A portion of exempt taxes due to homestead exemptions relating to constitutional and special school taxes are reimbursed to the School Board through State Revenue Sharing. Such Revenue Sharing was \$224,656 for the year ended June 30, 2006.

As required by the State of Louisiana Statutes, prescribed deductions are made from the School Board's property tax receipts and revenue sharing for contributions to various pension funds. For the year ended June 30, 2006, \$468,465 was deducted from property tax receipts for amounts due to various pension funds.

6) RISK MANAGEMENT AND INSURANCE

The Terrebonne Parish School Board is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; providing health, dental, and other medical benefits to employees; and natural disasters. The School Board manages these risks in various ways as follows:

Commercial Insurance. The School Board has purchased excess commercial liability insurance to cover risks of loss related to torts or negligence by employees and board members. Commercial insurance has also been obtained to cover damage to or theft of computer equipment, vehicles, boilers and other machinery. Claims have not exceeded insurance coverage in any of the past three years.

Self-Insurance Programs. The School Board has established three (3) partially self-insured programs, which are accounted for in Internal Service Funds, as follows:

The workers' compensation program was established for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. The School Board had a contract with Gulf South Risk Services (GSRS) to supervise and evaluate claims until September 30, 2000. On October 1, 2000 the School Board purchased a guaranteed policy with Louisiana Workers' Compensation Corporation (LWCC). On July 1, 2003, the contract with LWCC was terminated and the School Board reverted back to partially self-insured coverage with GSRS. An analysis of the claims activities for the current year and prior year follows:

(In Thousands)

| <u>Year Ended</u> | <u>Beginning Liability</u> | <u>Current Year Claims and Changes in Estimates</u> | <u>Actual Claim Payments</u> | <u>Ending Liability</u> |
|-------------------|----------------------------|---|------------------------------|-------------------------|
| June 30, 2005     | \$ 277                     | \$ 567  | \$ 517                       | \$ 327                  |
| June 30, 2006     | \$ 327                     | \$ 769  | \$ 610                       | \$ 327                  |

The Employee Benefit Group Insurance Plan was established by board action during the June 1991 fiscal year. The plan administrator, Gilsbar, is responsible for claims processing and administration. Resources to pay claims are derived from employer and employee contributions. Employer contributions are partially funded by local, state and federal funds. The contributions are recorded as expenditures in each fund employing personnel qualified for group hospital insurance benefits and are recorded as non-operating revenues in the group insurance claims internal service fund. The amounts charged to the various funds and the liability for outstanding claims are estimated based on an actuarial projection of expected claims. These amounts consider claims which may have been incurred but not reported as of June 30, 2006. The School Board has obtained excess insurance coverage which limits its exposure to \$300,000 per calendar year and \$21,569,628 in the aggregate. An analysis of claims activities for the current year and prior year follows:

(In Thousands)

| <u>Year Ended</u> | <u>Beginning Liability</u> | <u>Claims and Changes in Estimates</u> | <u>Actual Claim Payments</u> | <u>Ending Liability</u> |
|-------------------|----------------------------|--|------------------------------|-------------------------|
| June 30, 2005     | \$ 5,421                   | \$ 23,978                              | \$ 22,947                    | \$ 6,452                |
| June 30, 2006     | \$ 6,452                   | \$ 23,146                              | \$ 23,270                    | \$ 6,328                |

The Loss Fund was established by the School Board to cover risks of loss related to damage to buildings and contents. The fund also serves to cover risk of loss due to torts and negligence by employees and board members. Auto liability is also included in the loss fund. The Fund covers all losses up to \$300,000. It is funded by operating transfers from the general fund. In addition, this fund serves to accumulate resources sufficient to handle property and casualty losses which fall within any deductible conditions or any self-insured retention program. Expenditures and claims liabilities are recorded when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The School Board has obtained a fire and extended coverage insurance policy with a deductible of \$1,000,000 per occurrence and \$30,000,000 limit per fiscal year. Analysis of claims activities for the current and prior year follows:

| (In Thousands) |                     | Current Year |                       |                  |  |  |
|----------------|---------------------|--------------|-----------------------|------------------|--|--|
|                |                     | Claims and   |                       |                  |  |  |
|                |                     | Changes in   |                       |                  |  |  |
| Year Ended     | Beginning Liability | Estimate     | Actual Claim Payments | Ending Liability |  |  |
| June 30, 2005  | \$ -                | \$ 619       | \$ 619                | \$ -             |  |  |
| June 30, 2006  | \$ -                | \$ 630       | \$ 630                | \$ -             |  |  |

Unemployment Compensation. The School Board has elected to use the direct reimbursement method for unemployment compensation paid to its employees by the Louisiana Department of Labor. Under this method, the employer elects to become liable for payments in lieu of making quarterly contributions to the Office of Employment Security. Regular and extended benefit payments attributable to services while the employee was in the employment of the School Board are billed quarterly to the School Board. The School Board has contracted a third party claims administrator to represent its interest in these cases.

7) CAPITAL ASSETS

Capital assets reported in governmental activities for the year ended June 30, 2006 were as follows:

|                            | Balance        | Additions    | Deletions    | Depreciation  | Balance       |
|----------------------------|----------------|--------------|--------------|---------------|---------------|
| Land                       | \$ 2,935,633   | \$ -         | \$ -         | \$ -          | \$ 2,935,633  |
| Buildings and Improvements | 93,708,424     | 2,322,377    | -            | 54,233,945    | 41,796,856    |
| Furniture and Equipment    | 12,576,898     | 1,114,797    | 1,886,583    | 8,373,011     | 3,432,101     |
| Vehicles                   | 3,727,322      | 130,305      | 37,479       | 2,914,563     | 905,585       |
| Construction in Progress   | 1,260,942      | 1,743,634    | 2,077,759    | -             | 926,817       |
| Totals                     | \$ 114,209,219 | \$ 5,311,113 | \$ 4,001,821 | \$ 65,521,519 | \$ 49,996,992 |

Capital asset additions reported above includes \$2,077,759 of prior period and current year construction costs moved out of Construction in Progress.

Depreciation was charged to general administration services in the statement of activities and is recapped as follows:

|                            | Current Expense | Accumulation  |
|----------------------------|-----------------|---------------|
| Buildings and improvements | \$ 2,006,861    | \$ 54,233,945 |
| Furniture and equipment    | 855,484         | 8,373,011     |
| Vehicles                   | 297,814         | 2,914,563     |
| Totals                     | \$ 3,160,159    | \$ 65,521,519 |

A loss on the disposal of assets of \$1,465,426 is reported on the Statement of Activities charged to general administration.

Capital assets reported in business-type activities for the year ended June 30, 2006 were as follows:

|                        | Beginning Balance | Additions | Deletions | Accumulated Depreciation | Net Ending Balance |
|------------------------|-------------------|-----------|-----------|--------------------------|--------------------|
| Land                   | \$ 145,613        | \$ -      | \$ -      | \$ -                     | \$ 145,613         |
| Buildings              | 365,527           | -         | -         | 188,702                  | 176,825            |
| Furniture and fixtures | 1,908             | 561       | -         | 1,948                    | 521                |
| Totals                 | \$ 513,048        | \$ 561    | \$ -      | \$ 190,650               | \$ 322,959         |

Depreciation expense of \$17,512 was reported in the statement of activities as business-type activities for the year ended June 30, 2006.

8) CAPITAL PROJECTS

At June 30, 2006, the amounts reserved and designated for capital projects were as follows:

| <u>Fund and Project</u>   | <u>Estimated<br/>Cost</u> | <u>Expended to<br/>June 30, 2005</u> | <u>Reserved<br/>Fund<br/>Balance</u> | <u>Designated<br/>Fund<br/>Balance</u> |
|---|---------------------------|--------------------------------------|--------------------------------------|--|
| <u>General Fund</u>   |                           |                                      |                                      |  |
| Evergreen Jr. High School<br>Generator<br>Construction  | \$ 55,554                 | \$ 4,025                             | \$ -                                 | \$ -                                   |
| H. L. Bourgeois and<br>Terrebonne High Schools<br>9th Grade Expansion Project<br>Construction | 500,000                   | -                                    | 500,000                              | -                                      |
| Total General Fund  | \$ 555,554                | \$ 4,025                             | \$ 500,000                           | \$ -                                   |
| <u>Other Governmental Funds:</u>  |                           |                                      |                                      |  |
| <u>1% Sales Tax Fund:</u>   |                           |                                      |                                      |  |
| South Terrebonne High School<br>HVAC/Chiller<br>Construction                                  | \$ 792,612                | \$ 227,004                           | \$ 565,608                           | \$ -                                   |
| Professional fees   | 55,000                    | 54,105                               | 895                                  | -                                      |
| Total   | 847,612                   | 281,109                              | 566,503                              | -                                      |
| Southdown Elementary<br>HVAC<br>Construction  | 134,544                   | -                                    | 134,544                              | -                                      |
| Professional fees   | 4,000                     | 3,639                                | 361                                  | -                                      |
| Total   | 138,544                   | 3,639                                | 134,905                              | -                                      |
| Vo Tech High School<br>Roof<br>Construction   | 640,722                   | -                                    | 640,722                              | -                                      |
| Professional fees   | 50,000                    | 49,532                               | 468                                  | -                                      |
| Total   | 690,722                   | 49,532                               | 641,190                              | -                                      |
| Lacache Middle<br>HVAC<br>Construction  | 56,987                    | -                                    | 56,987                               | -                                      |
| Professional fees   | 3,000                     | 2,870                                | 130                                  | -                                      |
| Total   | 59,987                    | 2,870                                | 57,117                               | -                                      |
| Schriever Elementary<br>HVAC Replacement Phase 2<br>Construction                              | 56,987                    | -                                    | 56,987                               | -                                      |
| Professional fees   | 3,000                     | 2,870                                | 130                                  | -                                      |
| Total   | 59,987                    | 2,870                                | 57,117                               | -                                      |

| <u>Fund and Project</u>               | <u>Estimated<br/>Cost</u> | <u>Expended to<br/>June 30, 2005</u> | <u>Reserved<br/>Fund<br/>Balance</u> | <u>Designated<br/>Fund<br/>Balance</u> |
|---------------------------------------|---------------------------|--------------------------------------|--------------------------------------|--|
| <u>1% Sales Tax Fund (continued):</u> |                           |                                      |                                      |  |
| Pointe Aux Chenes                     |                           |                                      |                                      |  |
| Roof                                  |                           |                                      |                                      |  |
| Professional fees                     | 20,000                    | 19,147                               | 853                                  |  |
| Allocation Balance                    | 218,188                   | -                                    | 218,188                              | -                                      |
| Total                                 | 238,188                   | 19,147                               | 219,041                              | -                                      |
| Schriever Elementary                  |                           |                                      |                                      |  |
| Sewer                                 |                           |                                      |                                      |  |
| Construction                          | 124,030                   | 62,988                               | 61,042                               | -                                      |
| Professional fees                     | 15,970                    | 15,865                               | 105                                  | -                                      |
| Total                                 | 140,000                   | 78,853                               | 61,147                               | -                                      |
| Designated for Future Projects        | 157,040                   | -                                    | -                                    | 157,040                                |
| Total 1% Sales Tax Fund               | \$ 2,332,080              | \$ 438,020                           | \$ 1,737,020                         | \$ 157,040                             |
| <u>Debt Service Fund:</u>             |                           |                                      |                                      |  |
| Future Projects                       | \$ 171,532                | \$ -                                 | \$ 171,532                           | \$ -                                   |
| <u>Disaster Fund:</u>                 |                           |                                      |                                      |  |
| Acadian Elementary                    |                           |                                      |                                      |  |
| Portable Classrooms                   |                           |                                      |                                      |  |
| Construction                          | \$ 30,000                 | \$ 28,846                            | \$ -                                 | \$ -                                   |
| Caldwell Middle                       |                           |                                      |                                      |  |
| Portable Classrooms                   |                           |                                      |                                      |  |
| Construction                          | 30,000                    | 28,846                               | -                                    | -                                      |
| Oakshire Elementary                   |                           |                                      |                                      |  |
| Portable Classrooms                   |                           |                                      |                                      |  |
| Construction                          | 30,000                    | 28,845                               | -                                    | -                                      |
| Total Disaster Fund                   | \$ 90,000                 | \$ 86,537                            | \$ -                                 | \$ -                                   |



| <u>Fund and Project</u>                         | <u>Estimated<br/>Cost</u> | <u>Expended to<br/>June 30, 2005</u> | <u>Reserved<br/>Fund<br/>Balance</u> | <u>Designated<br/>Fund<br/>Balance</u> |
|---|---------------------------|--------------------------------------|--------------------------------------|--|
| <b><u>Building Fund:</u></b>                    |                           |                                      |                                      |  |
| <b>Public Address/Intercom System</b>           |                           |                                      |                                      |  |
| Construction                                    | \$ 4,871                  |                                      |                                      | \$ 4,871                               |
| Total   | 4,871                     | -                                    | -                                    | 4,871                                  |
| <b>Lacache Middle Masonry Restoration</b>       |                           |                                      |                                      |  |
| Construction                                    | 415,925                   | 5,342                                | -                                    | 410,583                                |
| Total   | 415,925                   | 5,342                                | -                                    | 410,583                                |
| <b>Warehouse Walk-in Cooler</b>                 |                           |                                      |                                      |  |
| Construction                                    | 250,000                   | -                                    | -                                    | 250,000                                |
| Total   | 250,000                   | -                                    | -                                    | 250,000                                |
| <b>Schriever Elementary Masonry Restoration</b> |                           |                                      |                                      |  |
| Construction                                    | 415,925                   | 5,343                                | -                                    | 410,582                                |
| Total   | 415,925                   | 5,343                                | -                                    | 410,582                                |
| <b>Central Office Emergency Generator</b>       |                           |                                      |                                      |  |
| Construction                                    | 201,000                   | -                                    | -                                    | 201,000                                |
| Total   | 201,000                   | -                                    | -                                    | 201,000                                |
| <b>Bourg Elementary Portable Buildings</b>      |                           |                                      |                                      |  |
| Construction                                    | 85,240                    | -                                    | -                                    | 85,240                                 |
| Total   | 85,240                    | -                                    | -                                    | 85,240                                 |
| <b>Exterior Door Replacements</b>               |                           |                                      |                                      |  |
| Various Schools                                 |                           |                                      |                                      |  |
| Construction                                    | 368,769                   | -                                    | -                                    | 368,769                                |
| Total   | 368,769                   | -                                    | -                                    | 368,769                                |
| <b>Portable Relocation</b>                      |                           |                                      |                                      |  |
| Construction                                    | 24,596                    | -                                    | -                                    | 24,596                                 |
| Total   | 24,596                    | -                                    | -                                    | 24,596                                 |
| <b>Southdown Elementary Drainage</b>            |                           |                                      |                                      |  |
| Construction                                    | 47,975                    | 8,881                                | 39,094                               | -                                      |
| Total   | 47,975                    | 8,881                                | 39,094                               | -                                      |
| <b>Bourg Elementary Siding</b>                  |                           |                                      |                                      |  |
| Construction                                    | 30,472                    | 712                                  | 29,760                               | -                                      |
| Total   | 30,472                    | 712                                  | 29,760                               | -                                      |
| <b>South Terrebonne High Running Track</b>      |                           |                                      |                                      |  |
| Construction                                    | 442,154                   | 377,957                              | 64,197                               | -                                      |
| Total   | 442,154                   | 377,957                              | 64,197                               | -                                      |
| <b>Total Building Fund</b>                      | <b>\$ 2,286,927</b>       | <b>\$ 398,235</b>                    | <b>\$ 133,051</b>                    | <b>\$ 1,755,641</b>                    |
| <b>Total Construction In Progress</b>           | <b>\$ 5,436,093</b>       | <b>\$ 926,817</b>                    | <b>\$ 2,541,603</b>                  | <b>\$ 1,912,681</b>                    |

# 9) LONG-TERM OBLIGATIONS

## a) Summary of General Long-term Obligations:

The following is a summary of the changes in general long-term obligations for the year ended June 30, 2006:

|                                   | Payable at<br>June 30, 2005 | Additions         | Reductions          | Payable at<br>June 30, 2006 |
|-----------------------------------|-----------------------------|-------------------|---------------------|-----------------------------|
| QZAB Loan Debt                    | \$ 786,712                  | \$ -              | \$ 74,925           | \$ 711,787                  |
| Certificates of Indebtedness      | 2,085,000                   | -                 | 500,000             | 1,585,000                   |
| Installment Purchase Agreement #2 | 169,918                     | -                 | 126,768             | 43,150                      |
| Compensated Absences              | 6,241,300                   | 904,563           | 711,080             | 6,434,783                   |
| Totals                            | <u>\$ 9,282,930</u>         | <u>\$ 904,563</u> | <u>\$ 1,412,773</u> | <u>\$ 8,774,720</u>         |

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2006:

|           | QZAB Loan         | Certificates of<br>Indebtedness | Installment<br>Purchase #2 | Compensated<br>Absences | Total               |
|-----------|-------------------|---------------------------------|----------------------------|-------------------------|---------------------|
| Current   | \$ 74,925         | \$ 510,000                      | \$ 43,150                  | \$ 733,125              | \$ 1,361,200        |
| Long-Term | 636,862           | 1,075,000                       | -                          | 5,701,658               | 7,413,520           |
| Totals    | <u>\$ 711,787</u> | <u>\$ 1,585,000</u>             | <u>\$ 43,150</u>           | <u>\$ 6,434,783</u>     | <u>\$ 8,774,720</u> |

- b) The annual debt service requirements including interest to amortize all long-term obligations outstanding at June 30, 2006 other than compensated absences are as follows:

| Year<br>Ending<br>June 30, | Certificates<br>of<br>Indebtedness | Purchase<br>Agreement<br>#2 | QZAB<br>Loan      | Total               |
|----------------------------|------------------------------------|-----------------------------|-------------------|---------------------|
| 2007                       | 550,964                            | 43,434                      | 74,925            | 669,323             |
| 2008                       | 554,948                            | -                           | 74,925            | 629,873             |
| 2009                       | 553,393                            | -                           | 74,925            | 628,318             |
| 2010                       | -                                  | -                           | 74,925            | 74,925              |
| 2011                       | -                                  | -                           | 74,925            | 74,925              |
| 2012                       | -                                  | -                           | 74,925            | 74,925              |
| 2013                       | -                                  | -                           | 74,925            | 74,925              |
| 2014                       | -                                  | -                           | 74,925            | 74,925              |
| 2015                       | -                                  | -                           | 74,925            | 74,925              |
| 2016                       | -                                  | -                           | 37,462            | 37,462              |
|                            | -                                  | -                           | -                 | -                   |
| Totals                     | 1,659,305                          | 43,434                      | 711,787           | 2,414,526           |
| Less:                      |                                    |                             |                   |                     |
| Interest                   | 74,305                             | 284                         | -                 | 74,589              |
| Net Amount                 | <u>\$ 1,585,000</u>                | <u>\$ 43,150</u>            | <u>\$ 711,787</u> | <u>\$ 2,339,937</u> |

- c) Certificates of indebtedness:

On May 20, 2003 the Board approved a resolution for refinancing existing certificates of indebtedness with Regions Bank at an estimated interest rate of 3.08%. The resolution provided for the refunding of \$2,570,000 of the Issuer's Certificate of Indebtedness, Series 1998, maturing August 1, 2004 to August 1, 2008.

d) **Installment Purchase Agreement:**

On October 15, 1999, the School Board entered into Installment Purchase Agreement #2 with GE Capital in the amount of \$788,597 for the purpose of purchasing school buses. The installment purchase agreement matures October 15, 2006 and bears interest at 3.15%, payable in equal monthly installments of \$10,858. Principal and interest on installment purchase agreement #2 will be paid from general fund revenues.

e) **Qualified Zone Academy Bonds:**

On February 15, 2003, the School Board entered into a loan agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority) in the amount of \$1,030,218 for the purpose of constructing various capital projects. The bonds will mature on November 15, 2015, and there is no interest element attached to the loan. The principal is due in quarterly payments of \$18,731 payable from general fund revenues.

10) **RETIREMENT SYSTEMS**

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. **Teachers' Retirement System of Louisiana (TRS)**

**Plan Description.** The TRS consists of three membership plans: Regular Plan, Plan A (Plan A is being phased out; no new employees are allowed to join), and Optional Retirement System. The TRS provides retirement benefits as well as disability and survivor benefits. Five years of service credit is required to become vested for retirement, disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

**Funding Policy.** Plan members are required to contribute a percentage of their annual covered salary for the Regular Plan, Plan A, and Optional Retirement System. The School Board is required to contribute at an actuarially determined rate. Member contributions and employer contributions for the TRS are

established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

Contributions required and made to the TRS were as follows:

| Fiscal year<br>ended June 30, | 2006          | 2005          | 2004         |
|-------------------------------|---------------|---------------|--------------|
| TRS Regular:                  |               |               |              |
| Member contribution %         | 8.00%         | 8.00%         | 8.00%        |
| Employer contribution %       | 15.90%        | 15.50%        | 13.80%       |
| Member contribution \$        | \$ 5,702,202  | \$ 5,351,695  | \$ 5,475,202 |
| Employer contribution \$      | \$ 11,333,100 | \$ 10,368,935 | \$ 9,444,648 |
| TRS-Plan A:                   |               |               |              |
| Member contribution %         | 9.10%         | 9.10%         | 9.10%        |
| Employer contribution %       | 15.90%        | 15.50%        | 13.80%       |
| Member contribution \$        | \$ 38,882     | \$ 41,539     | \$ 47,652    |
| Employer contribution \$      | \$ 67,937     | \$ 70,754     | \$ 72,264    |
| TRS-Optional:                 |               |               |              |
| Member contribution %         | 8.00%         | 8.00%         | 0.00%        |
| Employer contribution %       | 15.90%        | 15.50%        | 0.00%        |
| Member contribution \$        | \$ 2,318      | \$ 2,121      | \$ -         |
| Employer contribution \$      | \$ 4,606      | \$ 4,109      | \$ -         |

Analysis of Funding Progress. An analysis of the funding progress for TRS over the last three fiscal years for which information is available follows:

(in thousands of dollars)

| Actuarial<br>Valuation<br>Date | (1)<br>Actuarial<br>Value<br>of<br>Assets | (2)<br>Actuarial<br>Accrued<br>Liability | (3)<br>Funded<br>Ratio | (4)<br>Unfunded<br>Actuarial<br>Accrued<br>Liability | (5)<br>Annual<br>Covered<br>Payroll | (6)<br>Unfunded<br>Actuarial<br>Accrued<br>Liability as<br>a Percentage of<br>Covered Payroll |
|--------------------------------|---|--|------------------------|--|-------------------------------------|---|
| 2003                           | \$ 11,826.9                               | \$ 17,196.8                              | 68.8%                  | \$ 5,369.9   | \$ 2,977.9                          | 180%  |
| 2004                           | \$ 11,409.4                               | \$ 18,067.5                              | 63.1%                  | \$ 6,658.1   | \$ 3,017.1                          | 221%  |
| 2005                           | \$ 12,082.7                               | \$ 18,699.8                              | 64.6%                  | \$ 6,617.1   | \$ 3,132.2                          | 211%  |

**B. Louisiana School Employees' Retirement System (LSERS)**

**Plan Description.** The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained in writing to the Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., 1<sup>st</sup> Floor, Baton Rouge, Louisiana 70809, or by calling (225) 925-6484.

**Funding Policy.** Plan members are required to contribute a percentage of their annual covered salary and the school board is required to contribute at an actuarially determined rate. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

Contributions required and made to the LSERS were as follows:

| Fiscal year<br>ended June 30, | 2006         | 2005       | 2004       |
|-------------------------------|--------------|------------|------------|
| Member contribution %         | 7.50%        | 7.50%      | 7.50%      |
| Employer contribution %       | 18.40%       | 14.80%     | 8.50%      |
| Member contribution \$        | \$ 455,520   | \$ 430,466 | \$ 448,058 |
| Employer contribution \$      | \$ 1,124,360 | \$ 854,502 | \$ 507,797 |

**Analysis of Funding Progress.** An analysis of the funding progress for LSERS over the latest three available fiscal years follows:

| Actuarial<br>Valuation<br>Date | (1)<br>Actuarial<br>Value<br>of<br>Assets | (2)<br>Actuarial<br>Accrued<br>Liability | (3)<br>Funded<br>Ratio | (4)<br>Unfunded<br>Actuarial<br>Accrued<br>Liability | (5)<br>Annual<br>Covered<br>Payroll | (6)<br>Unfunded<br>Actuarial<br>Accrued<br>Liability as<br>a Percentage of<br>Covered Payroll |
|--------------------------------|---|--|------------------------|--|-------------------------------------|---|
| 2003                           | \$ 1,369,601                              | \$ 1,730,796                             | 79.1%                  | \$ 361,195   | \$ 268,656                          | 134%  |
| 2004                           | \$ 1,381,154                              | \$ 1,820,958                             | 75.8%                  | \$ 439,804   | \$ 259,698                          | 169%  |
| 2005                           | \$ 1,423,207                              | \$ 1,889,445                             | 75.3%                  | \$ 466,238   | \$ 259,232                          | 180%  |

C. Other Plans

The School Board participates in the Parochial Employees' Retirement System. This plan covers 2 employees (members of the School Board) who are not included in one of the other plans. For the year ended June 30, 2006, the School Board made contributions of \$2,601 and the employees made contributions of \$1,938.

Under the previous Public Law 99-272 (the Consolidated Omnibus Budget Reconciliation Act of 1985), all new employees hired after March 31, 1986 are required to be covered by Medicare Part A in addition to membership in any of the State retirement systems. The contribution rate is 1.45%, matched by the School Board. The School Board made contributions of \$907,110 for the year ended June 30, 2006. There were 2,229 full-time employees covered under this plan.

11) DUE TO/FROM OTHER FUNDS

Amounts due to/from other funds at June 30, 2006 are as follows:

|                          | <u>Due From</u> | <u>Due To</u> |
|--------------------------|-----------------|---------------|
| GENERAL FUND:            |                 |               |
| Special Revenue Funds    | \$ 14,792,531   | \$ 1,505,918  |
| Fiduciary Funds          | 51              | -             |
| Capital Projects         | 23,278          | 335,240       |
| Enterprise Fund          | 1,331           | -             |
| SPECIAL REVENUE FUNDS:   |                 |               |
| General Fund             | 1,505,918       | 14,792,531    |
| Special Revenue Funds    | 123,275         | 123,275       |
| Internal Service Fund    | -               | 77,340        |
| CAPITAL PROJECTS:        |                 |               |
| General Fund             | 335,240         | 23,278        |
|                          | <hr/>           | <hr/>         |
| Total Governmental Funds | 16,781,624      | 16,857,582    |
|                          | <hr/>           | <hr/>         |
| INTERNAL SERVICE FUND:   |                 |               |
| General Fund             | 272,135         | 191,500       |
| Special Revenue Fund     | 77,340          | -             |
| FIDUCIARY FUNDS:         |                 |               |
| General Fund             | -               | 51            |
| ENTERPRISE FUND:         |                 |               |
| General Fund             | -               | 1,331         |
|                          | <hr/>           | <hr/>         |
| TOTALS                   | \$ 17,131,099   | \$ 17,050,464 |
|                          | <hr/>           | <hr/>         |

Due to/from general fund represents cost paid from the general fund bank account on behalf of individual funds that do not have checking accounts. These receivables and payables reverse in the normal course of operations.



12) TRANSFERS AND OTHER FINANCING SOURCES AND USES

Transfers funded from current revenues during the year ended June 30, 2006 consisted of:

|                           | Transfers            |                      |
|---------------------------|----------------------|----------------------|
|                           | In                   | Out                  |
| <u>GOVERNMENTAL FUNDS</u> |                      |                      |
| GENERAL FUND:             |                      |                      |
| Special Revenue Funds     | \$ 18,605,718        | \$ 567,750           |
| Capital Projects Funds    | -                    | 2,235,389            |
| Internal Service Funds    | -                    | 1,800,000            |
| Total                     | <u>18,605,718</u>    | <u>4,603,139</u>     |
| SPECIAL REVENUE FUNDS:    |                      |                      |
| General Fund              | 567,750              | 18,605,718           |
| Special Revenue Fund      | 2,047,106            | 2,047,106            |
| Total                     | <u>2,614,856</u>     | <u>20,652,824</u>    |
| CAPITAL PROJECTS FUNDS:   |                      |                      |
| General Fund              | <u>2,235,389</u>     | <u>-</u>             |
| Total Governmental Funds  | <u>23,455,963</u>    | <u>25,255,963</u>    |
| <u>PROPRIETARY FUNDS</u>  |                      |                      |
| INTERNAL SERVICE FUNDS:   |                      |                      |
| General Fund              | 1,800,000            | -                    |
| Totals                    | <u>\$ 25,255,963</u> | <u>\$ 25,255,963</u> |

Other financing sources (uses) consisted of:

|                          | General<br>Fund  | Special<br>Revenue<br>Funds | Totals              |
|--------------------------|------------------|-----------------------------|---------------------|
| Property disposals       | \$ 2,955         | \$ 1,991                    | \$ 4,946            |
| Administrative fee       | 21,425           | (6,387)                     | 15,038              |
| Honduras School          | (8,400)          |                             | (8,400)             |
| Judgments/Settlements    | 20,873           |                             | 20,873              |
| Insurance proceeds       | -                | 1,831,350                   | 1,831,350           |
| Miscellaneous            | -                | (4,205)                     | (4,205)             |
| Total governmental funds | <u>\$ 36,853</u> | <u>\$ 1,822,749</u>         | <u>\$ 1,859,602</u> |

13) DEFERRED COMPENSATION PLAN

Employees of the School Board have the option to participate in several deferred compensation programs (tax sheltered annuities) as defined by Internal Revenue Code Section 403(b). The School Board has the responsibility for withholding and remitting contributions from participants to the plans. The various insurance companies who serve as administrators have the responsibility for maintaining a deferred account with respect to each participant, investing the participant's account in accordance with the participant's investment specification and reporting quarterly to the participant on the status of the plans. Current plan reports are provided to participating employees by their respective insurance company.

14) FUND BALANCE RESERVES AND DESIGNATIONS

A summary of changes in fund balance reserves and designations follows:

| <u>Fund/Description</u>         | <u>June 30, 2005</u> | <u>Additions</u> | <u>Deletions</u> | <u>June 30, 2006</u> |
|---------------------------------|----------------------|------------------|------------------|----------------------|
| <b>GENERAL FUND:</b>            |                      |                  |                  |                      |
| Reserved:                       |                      |                  |                  |                      |
| Deposits                        | \$ 100               | \$ -             | \$ -             | \$ 100               |
| Capital Project                 | 500,000              | -                | -                | 500,000              |
| <b>One Cent Sales Tax Fund:</b> |                      |                  |                  |                      |
| Reserved:                       |                      |                  |                  |                      |
| Capital Contracts               | 338,471              | 1,737,020        | 338,471          | 1,737,020            |
| Designated:                     |                      |                  |                  |                      |
| Capital Contracts               | 422,697              | 157,040          | 422,697          | 157,040              |
| Technology                      | 1,659,987            | 1,437,590        | 1,659,987        | 1,437,590            |
| Employee compensation           | 3,944,714            | 5,543,443        | 3,944,714        | 5,543,443            |
| <b>3/4 Cent Sales Tax Fund:</b> |                      |                  |                  |                      |
| Designated:                     |                      |                  |                  |                      |
| Subsequent Year's Expenditures  | 649,495              | 866,480          | 649,495          | 866,480              |
| Instructional Programs          | 853,347              | 1,880,425        | 853,347          | 1,880,425            |
| <b>NON-MAJOR FUNDS:</b>         |                      |                  |                  |                      |
| Reserved:                       |                      |                  |                  |                      |
| Employee Compensation           | -                    | -                | -                | -                    |
| Capital Contracts               | 164,774              | 304,582          | 164,774          | 304,582              |
| Designated:                     |                      |                  |                  |                      |
| Capital Contracts               | 85,683               | 1,755,641        | 85,683           | 1,755,641            |
| Instructional Programs          | 346,152              | 26,639           | 342,055          | 30,736               |

Reservations of fund balance are established to indicate that portions of the fund balance that are not appropriable for expenditures or that are legally segregated for a specific future use. Designations are established to indicate tentative plans for financial resource utilization in a future period.

Reserved for Deposits:

These reserves were established as an offset against the asset accounts that do not constitute available spendable resources of the General Fund.

Reserved for Capital Contracts:

This amount represents amounts in the General Fund, One Cent Sales Tax and Building Funds reserved by the School Board for future expenditures on construction contracts and purchases of equipment.

Designated for Capital Contracts:

This amount represents the amount in the One Cent Sales Tax and Debt Service Funds designated by the School Board for future expenditures on construction contracts and purchases of equipment.

Designated for Employee Compensation:

This amount represents the amount in the General Fund One Cent Sales Tax Fund designated for paying increased compensation and related employment costs of teachers and other full time personnel except management positions.

Designated for Instructional Programs:

This amount represents the amounts in the  $\frac{3}{4}$  Cent Sales Tax Fund, NCLB Title IV, State Library Allotment Fund and State Textbook and Materials Fund designated by the School Board for future expenditures for Instructional Programs.

Designated for Technology:

This amount represents the amount in the One Cent Sales Tax Fund designated for providing, operating and maintaining computers and high technology.

15) POST RETIREMENT BENEFITS

On March 1, 1977, the School Board approved a plan to provide for the payment of health insurance premiums for eligible retired employees. The School Board will fund the entire health insurance premium for all employees retired prior to March 1, 1977 and for subsequent retirees with thirty years of service at July 1, 1989. Effective July 1, 1989, the School Board discontinued its contribution for health insurance premiums for retirees who were hired on or after July 1, 1989 and limited the percentage of funding for current eligible employees to the level earned prior to July 1, 1989 as follows:

| <u>Years of Service</u><br><u>As of 7/1/89</u> | <u>Percent Funded</u> | <u>Age of Retirement</u> |
|--|-----------------------|--------------------------|
| 10 - 19  | 33.33% - 63.27%       | 60                       |
| 20 - 29  | 66.60% - 96.57%       | Any Age                  |
| 30   | 100%                  | Any Age                  |

The cost of providing for benefits earned prior to July 1, 1989, will be funded by contributions from the State Minimum Foundation Program and the School Board. The cost of providing benefits earned subsequent to July 1, 1989, will be paid by the State Minimum Foundation Program and the employee. The continuation of the contributions by the School Board will be dependent upon available funds in the General Fund for respective retired employees. The hospitalization insurance cost is recognized as an expense as premiums are paid. For the year ended June 30, 2006, those costs in the General Fund were \$5,151,893.

At June 30, 2006, the average hospitalization insurance premium funded by the School Board per retired employee was approximately \$4,636. Approximately 1,111 retired personnel are provided with this benefit.

16) MINIMUM FOUNDATION PROGRAM

In order to attempt to provide a statewide minimum level of education and purportedly guarantee children equal opportunity to the minimum level, the State Department of Education distributes funds to parish school systems under a computational method (formula).

The formula is a statistical model using data from parish financial reports, weighted student population counts, a relative wealth indicator, and a base amount per pupil to allocate funds to parishes under a basic assumption of a 65/35 percent state/parish funding split, subject to the effects of the relative wealth factor. The current year pupil population count is based on data as of October 3, 2005.

The school board must ensure that seventy percent of the state funds are expended on instruction. The definitions of instruction shall provide for: (1) salaries, employee benefits, purchased professional and technical services, instructional materials and supplies, and instructional equipment; (2) pupil support activities; and (3) instructional staff activities. Also required by the formula is that \$24.32 be spent per pupil on textbooks and instructional materials. Further, the state minimum salary schedules for teachers must continue to be implemented.

Equalization funding received from the State of Louisiana for the year ended June 30, 2006 was \$75,768,245. Of that total, \$74,708,105 was allocated to the General Fund and \$1,060,140 was allocated to Special Revenue Funds.

17) COMMITMENTS AND CONTINGENCIES

Litigation:

The School Board is subject to legal proceedings which arise in the normal course of operations. In the opinion of the School Board, the outcome of these proceedings will not materially affect the accompanying general purpose financial statements, and accordingly, no provision for losses has been recorded.

Federal and State Grant Awards:

The School Board received funding under grants from various federal and state governmental agencies. These grants specify the purpose for which the grant moneys are to be used and such grants are subject to audit by the granting agency or its representative. Certain grant moneys received in prior years have not been expended and may require reimbursement to the granting agency.

**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**REQUIRED SUPPLEMENTAL INFORMATION  
MAJOR FUND TYPE  
FUND DESCRIPTIONS**

**Terrebonne Parish School Board**

**June 30, 2006**

**General Fund**

The General Fund is the primary operating fund of the School Board and receives most of the revenues derived by the School Board from local sources (principally property and sales taxes) and state sources (principally equalization funding). General Fund expenditures represent the costs of general school system operations and include functional categories of instructional and support services. The General Fund is used to account for all financial resources and expenditures except those that are required to be accounted for in another fund.

**One Cent Sales Tax Fund (1996)**

The Citizens of Terrebonne Parish authorized a 1% sales and use tax effective July 1, 1996. The sales tax is to provide for increased compensation and related employment costs of teachers and other full-time personnel except management positions; operating and maintaining computers and high technology; and replacement, repair, and maintenance of roofs and mechanical equipment. This fund accounts for the receipt and disbursement of the 1-cent sales tax, a local funding source, therefore this fund is classified as a Local Special Revenue Fund.

**¾ Cent Sales Tax Fund (1976)**

This fund is used to monitor collections and uses of a ¾ of 1% local sales and use tax. The fund serves partially as a conduit for the transfers of monies to other funds. Operating transfers are made to the General Fund for salary and benefit expenses, and support of plant operation and instruction related expenditures. Fund expenditures include various instruction and instruction support items. This fund is classified as a Local Special Revenue Fund because of its local funding sources.

**School Food Service Fund**

The School Food Service Fund accounts for activities relating to the operations of the School Board's lunch, breakfast, and summer feedings programs. The meals are provided for free or at a reduced price through subsidies from the State and Federal Government. The bulk of the funding is from Federal sources; therefore, this fund is classified as a Federal Special Revenue Fund.

### NCLB - Title I Disadvantaged Schoolwide Fund

The No Child Left Behind (NCLB) Act of 2001 is a reform based law that seeks to close entirely the achievement gap between disadvantaged and minority students and their peers and to increase academic achievement among all students.

This fund is used to monitor services provided to educationally-disadvantaged children attending schools in Terrebonne Parish that qualify as target areas because of low socio-economic factors. Funds are received through the State from federally-funded educational programs; therefore, this fund is classified as a Federal Special Revenue Fund. The primary activity is the instruction of students with some support services to assist the academic program in either a reading or math lab setting. All twenty-five Title I schools elected to enter a "Schoolwide Program." This program allows each school the opportunity to provide assistance to all students. These schools may change personnel, services, and/or support programs to fit the need of the individual schools.



BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|   | Original<br>Budget | Final<br>Budget   | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-------------------|-------------------|---|
| <b>REVENUES</b>   |                    |                   |                   |   |
| Local sources:  |                    |                   |                   |   |
| Ad valorem tax  | \$ 4,212,661       | \$ 4,218,661      | \$ 4,481,788      | \$ 263,127  |
| Sales and use tax   | 5,637,545          | 6,759,036         | 7,432,674         | 673,638   |
| Deductions from parish taxes (1%) for<br>contribution to Teachers Retirement System | 406,234            | 406,234           | 468,465           | 62,231  |
| Rents, leases, royalties  | 1,028,000          | 1,583,000         | 3,686,509         | 2,103,509   |
| Tuition   | 444,238            | 450,100           | 460,327           | 10,227  |
| Interest earned   | 214,855            | 387,100           | 540,159           | 153,059   |
| Other local revenue   | 587,293            | 503,070           | 513,849           | 10,779  |
| State sources:  |                    |                   |                   |   |
| Equalization  | 71,354,841         | 74,708,105        | 74,708,105        | -   |
| Revenue sharing   | 277,205            | 226,000           | 224,656           | (1,344)   |
| Professional Improvement Program Support  | 259,548            | 249,949           | 249,922           | (27)  |
| Contribution to Teachers' Retirement System   | 26,089             | 35,370            | 29,903            | (5,467)   |
| Other state grants  | 438,665            | 1,117,357         | 1,121,622         | 4,265   |
| Federal sources   | 900                | 900               | 223               | (677)   |
| Total revenues  | <u>84,888,074</u>  | <u>90,644,882</u> | <u>93,918,202</u> | <u>3,273,320</u>  |
| <b>EXPENDITURES</b>   |                    |                   |                   |   |
| Current:  |                    |                   |                   |   |
| Instruction:  |                    |                   |                   |   |
| Regular   | 39,565,814         | 39,836,981        | 39,526,114        | 310,847   |
| Special   | 15,081,347         | 15,050,035        | 15,021,207        | 28,828  |
| Adult education   | 6,190              | 6,166             | 10,368            | (4,202)   |
| Vocational education  | 3,019,373          | 2,887,302         | 2,860,976         | 26,326  |
| Other programs  | 2,946,729          | 3,007,086         | 3,079,825         | (72,739)  |
| Support services:   |                    |                   |                   |   |
| Student services  | 3,725,438          | 3,838,313         | 3,748,178         | 90,135  |
| Instructional staff   | 4,321,132          | 4,375,057         | 4,279,874         | 95,183  |
| General administration  | 1,091,109          | 1,063,241         | 1,026,647         | 36,594  |
| School administration   | 5,755,866          | 5,764,690         | 5,691,116         | 73,574  |
| Business services   | 1,157,034          | 1,279,170         | 1,262,034         | 17,136  |
| Plant services  | 9,806,642          | 9,748,139         | 9,680,531         | 67,608  |
| Food service  | 566,229            | 541,122           | 535,208           | 5,914   |
| Student transportation  | 6,064,320          | 6,420,325         | 6,112,004         | 308,321   |
| Central services  | 902,685            | 820,476           | 812,577           | 7,899   |
| Facilities acquisition  | 452,700            | 263,971           | 285,046           | (21,075)  |
| Debt Service  |                    |                   |                   |   |
| Principal retirement  | 701,693            | 701,693           | 701,693           | -   |
| Interest and bank charges   | 60,576             | 60,576            | 60,575            | 1   |
| Total expenditures  | <u>95,224,877</u>  | <u>95,664,323</u> | <u>94,693,973</u> | <u>970,350</u>  |
| Excess (deficiency) of revenues<br>over expenditures                                | (10,336,803)       | (5,019,441)       | (775,771)         | 4,243,670   |

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|  | Original<br>Budget  | Final<br>Budget      | Actual               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|---------------------|----------------------|----------------------|---|
| Operating transfers in   | 10,687,036          | 12,695,049           | 18,605,717           | 5,910,668   |
| Operating transfers out  | (1,112,498)         | (4,615,836)          | (4,603,139)          | 12,697  |
| Indirect costs   | 846,338             | 608,512              | 515,837              | 92,675  |
| Other sources  | 30,100              | 40,700               | 36,853               | (3,847)   |
| Total other financing sources (uses)   | 10,450,976          | 8,728,425            | 14,555,268           | 6,012,193   |
| <u>EXCESS (DEFICIENCY OF REVENUES AND OTHER<br/>SOURCES OVER EXPENDITURES AND OTHER USES</u> | 114,173             | 3,708,964            | 13,779,497           | 10,070,513  |
| <u>FUND BALANCES</u>   |                     |                      |                      |   |
| Beginning of year  | 4,664,476           | 6,547,956            | 6,547,956            | -   |
| End of year  | <u>\$ 4,778,649</u> | <u>\$ 10,256,940</u> | <u>\$ 20,327,453</u> | <u>\$ 10,070,513</u>                                    |

BUDGETARY COMPARISON SCHEDULE  
 SCHOOL FOOD SERVICE FUND  
 Terrebonne Parish School Board  
 For the Year ended June 30, 2006

|  | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|---|
| <b><u>REVENUES</u></b>   |                     |                     |                     |   |
| Local sources:   |                     |                     |                     |   |
| Charges for services   | \$ 1,364,093        | \$ 1,243,277        | \$ 1,238,962        | \$ (4,315)  |
| Interest earned  | -                   | 30,000              | 55,275              | 25,275  |
| Other local revenue  | -                   | -                   | 13,148              | 13,148  |
| State sources  | 316,987             | 316,987             | 316,987             | -   |
| Federal sources  | 5,391,685           | 5,483,047           | 5,528,893           | 45,846  |
| Total revenues   | <u>7,072,765</u>    | <u>7,073,311</u>    | <u>7,153,265</u>    | <u>79,954</u>   |
| <b><u>EXPENDITURES</u></b>   |                     |                     |                     |   |
| Food service   | <u>7,041,955</u>    | <u>7,977,215</u>    | <u>7,692,293</u>    | <u>284,922</u>  |
| Excess (deficiency) of revenues<br>over expenditures   | 30,810              | (903,904)           | (539,028)           | 364,876   |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>   |                     |                     |                     |   |
| Operating transfers in   | 384,969             | 463,086             | 509,423             | 46,337  |
| Other uses   | (270,000)           | (250,000)           | (250,000)           | -   |
| Total other financing sources (uses)   | <u>114,969</u>      | <u>213,086</u>      | <u>259,423</u>      | <u>46,337</u>   |
| <b><u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>SOURCES OVER EXPENDITURES AND OTHER USES</u></b> |                     |                     |                     |   |
|  | 145,779             | (690,818)           | (279,605)           | 411,213   |
| <b><u>FUND BALANCES</u></b>  |                     |                     |                     |   |
| Beginning of year  | 1,324,896           | 1,826,878           | 1,826,878           | -   |
| End of year  | <u>\$ 1,470,675</u> | <u>\$ 1,136,060</u> | <u>\$ 1,547,273</u> | <u>\$ 411,213</u>                                       |

**BUGETARY COMPARISON SCHEDULE  
ONE CENT SALES TAX FUND (1996)  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006**

|   | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|---|
| <b>REVENUES</b>   |                     |                     |                     |   |
| Local sources:  |                     |                     |                     |   |
| Sales and use tax   | \$ 16,853,062       | \$ 20,274,941       | \$ 22,297,984       | \$ 2,023,043  |
| Interest earned   | 128,500             | 260,000             | 334,826             | 74,826  |
| Other local revenue   | 307,197             | -                   | 60,820              | 60,820  |
| Total revenues  | <u>17,288,759</u>   | <u>20,534,941</u>   | <u>22,693,630</u>   | <u>2,158,689</u>  |
| <b>EXPENDITURES</b>   |                     |                     |                     |   |
| Current:  |                     |                     |                     |   |
| Instruction:  |                     |                     |                     |   |
| Regular   | 6,893,178           | 8,957,121           | 8,382,310           | 574,811   |
| Special   | 2,344,049           | 2,775,610           | 2,726,959           | 48,651  |
| Adult education   | 57,118              | 62,963              | 57,200              | 5,763   |
| Vocational education  | 415,485             | 468,511             | 463,558             | 4,953   |
| Other programs  | 1,036,185           | 1,174,728           | 1,159,513           | 15,215  |
| Support services:   |                     |                     |                     |   |
| Student services  | 633,408             | 771,840             | 763,737             | 8,103   |
| Instructional staff   | 741,326             | 861,668             | 838,192             | 23,476  |
| General administration  | 180,732             | 232,777             | 208,647             | 24,130  |
| School administration   | 663,552             | 800,340             | 807,188             | (6,848)   |
| Business services   | 329,590             | 135,985             | 130,842             | 5,143   |
| Plant services  | 788,538             | 880,192             | 868,395             | 11,797  |
| Food service  | 719,367             | 800,812             | 772,042             | 28,770  |
| Student transportation  | 594,761             | 709,436             | 706,293             | 3,143   |
| Central services  | 76,438              | 320,807             | 217,808             | 102,999   |
| Facilities acquisition  | 1,494,215           | 2,635,152           | 881,722             | 1,753,430   |
| Total expenditures  | <u>16,968,040</u>   | <u>21,587,942</u>   | <u>18,984,406</u>   | <u>2,603,536</u>  |
| Excess (deficiency) of revenues<br>over expenditures  | 320,719             | (1,053,001)         | 3,709,224           | 4,762,225   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                     |                     |                     |   |
| Other sources   | <u>(1,200,000)</u>  | <u>(1,200,000)</u>  | <u>(1,200,000)</u>  | -   |
| Total other financing sources (uses)  | <u>(1,200,000)</u>  | <u>(1,200,000)</u>  | <u>(1,200,000)</u>  | -   |
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>SOURCES OVER EXPENDITURES AND OTHER USES</b> |                     |                     |                     |   |
|   | (879,281)           | (2,253,001)         | 2,509,224           | 4,762,225   |
| <b>FUND BALANCES</b>  |                     |                     |                     |   |
| Beginning of year   | 4,688,623           | 6,365,869           | 6,365,869           | -   |
| End of year   | <u>\$ 3,809,342</u> | <u>\$ 4,112,868</u> | <u>\$ 8,875,093</u> | <u>\$ 4,762,225</u>                                     |

**BUDGETARY COMPARISON SCHEDULE**  
**3/4 CENT SALES TAX FUND (1976)**  
**Terrebonne Parish School Board**  
**For the Year Ended June 30, 2006**

|  | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|---|
| <b><u>REVENUES</u></b>   |                     |                     |                     |   |
| Local sources:   |                     |                     |                     |   |
| Sales and use tax  | \$ 12,626,977       | \$ 15,171,535       | \$ 16,723,516       | \$ 1,551,981  |
| Interest earned  | 107,000             | 120,000             | 134,076             | 14,076  |
| Total revenues   | <u>12,733,977</u>   | <u>15,291,535</u>   | <u>16,857,592</u>   | <u>1,566,057</u>  |
| <b><u>EXPENDITURES</u></b>   |                     |                     |                     |   |
| Current:   |                     |                     |                     |   |
| Instruction:   |                     |                     |                     |   |
| Regular  | 1,065,771           | 1,355,751           | 827,253             | 528,498   |
| Special  | 6,834               | 9,272               | 2,240               | 7,032   |
| Vocational education   | 115,868             | 130,321             | 61,376              | 68,945  |
| Other programs   | 70,900              | 135,552             | 103,403             | 32,149  |
| Support services:  |                     |                     |                     |   |
| Student services   | 150                 | 150                 | 35                  | 115   |
| Instructional staff  | 38,895              | 48,820              | 26,479              | 22,341  |
| General administration   | 130,158             | 130,373             | 112,477             | 17,896  |
| School administration  | 4,350               | 4,800               | 4,750               | 50  |
| Business services  | -                   | -                   | 28                  | (28)  |
| Total expenditures   | <u>1,432,926</u>    | <u>1,815,039</u>    | <u>1,138,041</u>    | <u>676,998</u>  |
| Excess (deficiency) of revenues<br>over expenditures   | 11,301,051          | 13,476,496          | 15,719,551          | 2,243,055   |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>   |                     |                     |                     |   |
| Operating transfers out  | <u>(11,121,555)</u> | <u>(13,290,919)</u> | <u>(14,505,488)</u> | <u>1,214,569</u>  |
| <b><u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>SOURCES OVER EXPENDITURES AND OTHER USES</u></b> | 179,496             | 185,577             | 1,214,063           | 1,028,486   |
| <b><u>FUND BALANCES</u></b>  |                     |                     |                     |   |
| Beginning of year  | 966,609             | 1,502,842           | 1,502,842           | -   |
| Equity transfer  | -                   | 30,000              | 30,000              | -   |
| End of year  | <u>\$ 1,146,105</u> | <u>\$ 1,718,419</u> | <u>\$ 2,746,905</u> | <u>\$ 1,028,486</u>                                     |

**BUDGETARY COMPARISON SCHEDULE**  
**NCLB TITLE I DISADVANTAGED SCHOOLWIDE FUND**  
**Terrebonne Parish School Board**  
**For the Year Ended June 30, 2006**

|  | Original<br>Budget | Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|--------------------|-----------------|-----------|---|
| <b><u>REVENUES</u></b>   |                    |                 |           |   |
| Local sources:   |                    |                 |           |   |
| Other local revenue  | \$ -               | \$ 2,032        | \$ 2,032  | \$ -  |
| Federal sources  | 6,044,927          | 6,083,823       | 5,784,027 | (299,796)   |
| Total revenues   | 6,044,927          | 6,085,855       | 5,786,059 | (299,796)   |
| <b><u>EXPENDITURES</u></b>   |                    |                 |           |   |
| Instruction:   |                    |                 |           |   |
| Other instructional programs   | 4,751,740          | 4,528,297       | 4,318,859 | 209,438   |
| Support services:  |                    |                 |           |   |
| Pupil support  | 203,695            | 314,741         | 320,753   | (6,012)   |
| Instructional staff  | 481,780            | 776,233         | 699,051   | 77,182  |
| General administration   | 2,175              | 2,425           | 2,425     | -   |
| School administration  | 21,846             | 6,824           | 5,600     | 1,224   |
| Business services  | 27,416             | 35,039          | 30,291    | 4,748   |
| Plant services   | 67,556             | 91,969          | 81,652    | 10,317  |
| Student transportation   | 97,445             | 169,147         | 177,076   | (7,929)   |
| Central services   | 268                | 749             | 591       | 158   |
| Community services   | 101,287            | 86,551          | 83,121    | 3,430   |
| Facilities acquisition   | 1,000              | 25,231          | 20,931    | 4,300   |
| Total expenditures   | 5,756,188          | 6,037,206       | 5,740,350 | 296,856   |
| Excess (deficiency) of revenues<br>over expenditures   | 288,739            | 48,649          | 45,709    | (2,940)   |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>   |                    |                 |           |   |
| Indirect costs   | (288,739)          | (48,649)        | (45,709)  | 2,940   |
| <b><u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/>SOURCES OVER EXPENDITURES AND OTHER USES</u></b> |                    |                 |           |   |
|  | -                  | -               | -         | -   |
| <b><u>FUND BALANCES</u></b>  |                    |                 |           |   |
| Beginning of year  | -                  | -               | -         | -   |
| End of year  | \$ -               | \$ -            | \$ -      | \$ -  |

## **SUPPLEMENTAL INFORMATION SECTION**

SUPPLEMENTAL INFORMATION  
NON-MAJOR GOVERNMENTAL FUNDS  
FUND DESCRIPTIONS  
Terrebonne Parish School Board  
June 30, 2006

**FEDERAL FUNDS**

**NCLB - Title V – Innovative Education Program Strategies Fund**

The Title V Innovative Education Program Strategies Public Law 103-382 (formerly Title VI) is allocated to support the statewide reform efforts under Goals 2000, learn to provide a continuing source of innovation and educational improvement, and meet the special educational needs of at-risk and high-cost students.

**Federal Adult Education Fund**

The Adult Education Program offers a basic and remedial academic curriculum to individuals at least 16 years of age or emancipated minors who have not obtained a high school diploma. The curriculum offered is intended to prepare the student for the High School Equivalency Examination. Students successfully completing the examination are awarded the High School Equivalency Examination Diploma.

**Federal Vocational Education Fund**

The Federal Vocational Educational Fund was established to monitor expenditures of monies received from Federal Vocational Education grants through the State Department of Education. Funding for this grant is through the Carl D. Perkins Act. Expenditures include salaries and benefits, administrative cost, and the purchase of equipment and supplies.

**NCLB - Title VII Indian Education Fund**

This fund is used to provide a program designed to assist deprived Indian students. Funds are obtained by Federal grants directly from the U. S. Department of Education, Office of Indian Education, and are provided for salaries and benefits, tutorial stipends with benefits, cultural presenters, instructional and cultural supplies, registration fees and travel.



Special Education PL 101-476 Individuals with Disabilities Education Act (IDEA) Fund

These Federal funds are allocated under Part B of the Education for the Handicapped Act as amended by PL 101-476. Such funds are awarded through the State Department of Education and are based on the number of identified handicapped students being served as of the December child count. Funds are used for salaries, contracted services, materials, supplies, travel, equipment, and other expenses necessary to provide full educational opportunities to exceptional children.

NCLB - Title II – Part A Professional Development in All Subjects Fund

These Title II funds provide for 25% of the Staff Development Coordinator's Salary and benefits, professional development and travel, both in state and out of state.

NCLB - Title IV Fund, Part A and Part B

The 21<sup>st</sup> Century Community Learning Centers Program was established by Congress to award grants to rural and inner-city public schools, to enable them to plan, implement, or expand projects that benefit the educational, health, social services, cultural and recreational needs of the community. Grants awarded under this program may be used to plan, implement, or expand community learning centers.

U. S. Childcare Development Block Grant Fund

The purpose of this grant is to assist low income families by providing quality early childhood education programs. The Starting Points Preschool Programs establishes developmentally appropriate preschools for at-risk youth. The programs will be directed towards the development of cognitive, social, emotional, communication and motor skills in a manner and at a pace consistent with the needs and capabilities of the individual child.

NCLB – Title III English Language Acquisition, Enhancement, and Academic Achievement Fund

This fund was established to help ensure that children who are limited English proficient, including immigrant children and youth, attain English proficiency, develop high levels of academic attainment in English, and meet the same challenging state academic content and student academic achievement standards as all children are expected to meet. These funds are allocated for purchasing instructional materials and supplies.

NCLB Title X – McKinney/Vento Homeless Assistance Act

The purpose of this grant is to ensure that each child of a homeless individual and each homeless youth have equal access to the same free, appropriate public

education as any non-homeless child or youth. These grants are awarded on a three-year cycle with continuation grant applications filed annually.

#### NCLB Title I FIE Earmark Grant

The purpose of the Fund for the Improvement of Education Earmark Grant is to increase the technological resources available to teachers and students in their schools and to enhance technology currently available in the schools. Funds are used to purchase equipment for each school that houses fourth grade and/or eighth grade.

#### NCLB Title I Comprehensive School Reform Program

The purpose of this fund is to raise student achievement by helping high-poverty, low-performing schools implement research-based comprehensive school reform programs.

#### Natural Disaster Fund

The purpose of this fund is to provide funds for local educational agencies to assist with the cost of educating students displaced by Hurricanes Katrina and Rita during school year 2005-06. It also provides funds for immediate services or assistance relating to expenses to the restart of operations in the re-opening of, and the re-enrollment of students.

### STATE FUNDS

#### MFP Special Education Gifted Program Fund

These state funds are allocated for purchasing instructional materials, supplies and equipment for gifted programs. Funds are allocated based on the Minimum Foundation Program.

#### State Special Education Act 21/22 Fund

These state funds are allocated for exceptional children in need of extended school year programs. Exceptional students who have a documented significant loss of skill performance during a break in educational programming require an extended school year. The program usually runs for six weeks during the summer months. This program funds salaries of teachers, paraprofessionals, bus drivers, bus attendants, a nurse, a physical therapist, and instructional materials.

#### State Adult Education Fund

The Adult Education Program offers a basic and remedial academic curriculum to individuals who are at least 16 years of age or emancipated minors who have not obtained a high school diploma. The curriculum offered is intended to prepare the student for the High School Equivalency Examination. Students successfully completing the examination are awarded the High School Equivalency Diploma.

#### 8(g) Superior Textbook, Library Book, Reference Material Fund

The funding for this grant is by the State BESE Board from the Louisiana Quality Education Support Fund, 8(g). The purpose of this grant is to provide textbooks and materials for remediation, Math, and/or Language Arts in schools in Level 1 Corrective Action.

#### State Starting Points TANF Matching Fund

The School Board was awarded State funding in the amount of \$800 to purchase mandated developing skills checklist testing material through the U.S. Child Care Development Block Grant.

#### State Remediation Program Fund

This fund was established to monitor expenditures of State funds. These funds were allocated to students in certain grade levels who scored less than the Louisiana standards on the language LEAP arts, mathematics, science and/or social studies test as mandated by Louisiana revised statutes. This fund also includes the LEAP 21 and GEE 21: Tutoring Programs and the LEAP 21: Summer Remediation Program. Both programs are funded through the Minimum Foundation Program.

#### 8(g) Preschool/Block Grant Program Fund

This fund was established to monitor expenditures of the Early Childhood Development Program. The project is a state funded pre-school pilot program made available by Act 323 of the 1985 Louisiana Legislature. Funds are now made available through the 8(g) block Grant Allocation for Early Childhood Education. The early childhood at risk component serves eligible four-year-old students from low-income families who are determined to be at-risk. The program also serves children of low socio-economic backgrounds scoring a developmental age of 3 or 3 1/2 years on the Brigance Preschool Screen for three and four year old children. The program specifically addresses the child's social, physical, and language needs.

#### State Library Allotment Fund

The State Library Allotment Fund was established to monitor expenditures of the state library book monies received from the Minimum Foundation Program. Each local school district must determine how much to expend in the three areas

(textbooks, library books, school supplies), and handle their own purchasing and disbursing function.

#### State Textbooks and Materials Fund

The fund was established to monitor expenditures of the Minimum Foundation Program funds for the purchase of textbooks and instructional materials. Local school districts determine how to expend funds in these areas and handle their own purchasing and disbursing function. Accordingly, this fund monitors the portion of the state textbook and supplies monies allotted for textbooks and materials.

#### 8(g) Block Grant Fund

This fund was established to monitor expenditures of 8(g) monies made available by the Louisiana Board of Elementary and Secondary Education (BESE). These funds can only be used to implement programs recommended by the Department of Education and approved by BESE.

#### Education Excellence Fund

The Education Excellence Fund is being established to monitor the expenditures of monies from the State Legislature Millennium Trust, which provides for the disposition of proceeds from the tobacco settlement. The Fund will provide a remediation program for 8<sup>th</sup> – 12<sup>th</sup> grade students, 16 or over who did not score at or above "Approaching Basic" on the 8<sup>th</sup> grade LEAP test and lack sufficient Carnegie credits to graduate in four years.

#### K-3 Reading and Math Initiative Fund

The K-3 Reading and Math Initiative Fund was established to monitor funds allocated by the Louisiana Legislature to develop a balanced and comprehensive approach to improve reading and math performance of students in kindergarten through third grade. Expenditures include salaries, stipend pay for teachers involved in staff development, travel and the purchase of reading and math materials and supplies for grades K-3.

#### Teacher Assist/Assessment Program Fund

This fund was established to provide direct assistance and assessment to every new teacher. Every new teacher is provided support and assistance by a mentor or mentor-support team for two consecutive semesters in a school year.

#### State Jobs for America's Graduates

This program provides funding to dropout and workforce preparation programs for at-risk youth.

### State Corrective Action Fund

Under the State Corrective Action, there are two types of funding: School Improvement and K-8 Accountability Rewards. The intention of the School Improvement portion of this funding is to carry out corrective actions and school improvement responsibilities under state accountability. K-8 Accountability Rewards goal is to reward those schools who met or surpassed their growth target. It also rewards schools when they show growth in the performance of students who are classified as high poverty students. Reward monies can be spent as school personnel see fit except that they can't be spent on salaries or stipends.

### Classroom-Based Technology

These funds provide the technical infrastructure and equipment needed to create a technology-enriched learning environment.

## LOCAL FUNDS

### Capturing Kid's Hearts Fund

This program trains teachers how to teach students leadership skills, personal responsibilities, principle-based decision making, attitude and social skills, emotional intelligence, choices have consequences, restating peer pressure, healthy relationships, and conflict resolution/peer mediation. Revenues are transferred from the General Fund.

### Child Care Program Fund

This program provides before and after school care in order for children to remain in a safe, secure and familiar environment of their schools while enjoying activities such as arts and crafts, indoor and outdoor games and educational videos. Time is also set aside each day for the child to complete homework assignments under adult supervision. Salaries and fringe benefits for the site coordinator and workers are tracked in this fund.

### Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, general long term debt principal, interest, and related costs.

## Capital Projects Funds

### Building Fund

This fund was established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those projects financed by the proprietary fund).

COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
June 30, 2006

|  | NCLB<br>Title V | Federal<br>Adult<br>Education | Federal<br>Vocational<br>Education | NCLB Title VII<br>Indian<br>Education | Special<br>Education PL<br>101-476 | NCLB<br>Title II | NCLB<br>Title IV | U S Childcare<br>Block Grant |
|--|-----------------|-------------------------------|------------------------------------|---------------------------------------|------------------------------------|------------------|------------------|------------------------------|
| <b>ASSETS</b>                            |                 |                               |                                    |                                       |                                    |                  |                  |                              |
| Cash                                     | \$ -            | \$ -                          | \$ -                               | \$ -                                  | \$ -                               | \$ -             | \$ -             | \$ -                         |
| Other receivables                        | -               | -                             | -                                  | 45                                    | -                                  | -                | -                | -                            |
| Due from other funds                     | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Due from other governmental units        | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| State Department of Education            | 22,170          | 89,096                        | 86,885                             | -                                     | 1,492,476                          | 578,615          | -                | 1,221                        |
| United States Department of<br>Education | -               | -                             | -                                  | 79,615                                | -                                  | -                | 540,467          | -                            |
| Other units                              | -               | 1,751                         | -                                  | -                                     | -                                  | 19,398           | 1,365            | -                            |
| Prepaid expenses                         | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Total assets                             | \$ 22,170       | \$ 90,847                     | \$ 86,885                          | \$ 79,660                             | \$ 1,492,476                       | \$ 598,013       | \$ 541,832       | \$ 1,221                     |
| <b>LIABILITIES</b>                       |                 |                               |                                    |                                       |                                    |                  |                  |                              |
| Accounts payable                         | \$ -            | \$ -                          | \$ -                               | \$ 475                                | \$ 51,886                          | \$ -             | \$ 837           | \$ -                         |
| Due to other funds                       | 22,170          | 87,612                        | 86,885                             | 79,185                                | 1,440,490                          | 598,013          | 540,858          | 1,221                        |
| Other liabilities                        | -               | 3,235                         | -                                  | -                                     | -                                  | -                | -                | -                            |
| Deferred revenues                        | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Total liabilities                        | 22,170          | 90,847                        | 86,885                             | 79,660                                | 1,492,476                          | 598,013          | 541,695          | 1,221                        |
| <b>FUND BALANCE</b>                      |                 |                               |                                    |                                       |                                    |                  |                  |                              |
| Reserved:                                | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Capital contracts                        | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Unreserved:                              | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Designated:                              | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Capital contracts                        | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Instructional programs                   | -               | -                             | -                                  | -                                     | -                                  | -                | -                | -                            |
| Undesignated                             | -               | -                             | -                                  | -                                     | -                                  | -                | 137              | -                            |
| Total fund balances                      | -               | -                             | -                                  | -                                     | -                                  | -                | 137              | -                            |
| Total liabilities and fund balances      | \$ 22,170       | \$ 90,847                     | \$ 86,885                          | \$ 79,660                             | \$ 1,492,476                       | \$ 598,013       | \$ 541,832       | \$ 1,221                     |

COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
June 30, 2008

|  | NCLB<br>Title III | NCLB<br>Title X | NCLB<br>FIE Earmark<br>Grant | NCLB<br>Title I<br>CSR Program | Natural<br>Disaster | MFP Special<br>Education Gifted<br>Program | State Special<br>Education<br>Act 22/23 | State Adult<br>Education |
|--|-------------------|-----------------|------------------------------|--------------------------------|---------------------|--|---|--------------------------|
| <b>ASSETS</b>                            |                   |                 |                              |                                |                     |  |   |                          |
| Cash                                     | \$ -              | \$ -            | \$ -                         | \$ -                           | \$ -                | \$ -                                       | \$ -                                    | \$ -                     |
| Other receivables                        | -                 | -               | -                            | -                              | 730,306             | -  | -                                       | -                        |
| Due from other funds                     | -                 | -               | -                            | -                              | 1,757               | 5,466                                      | -                                       | -                        |
| Due from other governmental units:       |                   |                 |                              |                                |                     |  |   |                          |
| State Department of Education            | 34,024            | 14,758          | -                            | 205,285                        | 2,165,843           | -  | 65,068                                  | 46,528                   |
| United States Department of<br>Education | -                 | -               | 2,480                        | -                              | -                   | -  | -                                       | -                        |
| Other units                              | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Prepaid expenses                         | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Total assets                             | \$ 34,024         | \$ 14,758       | \$ 2,480                     | \$ 205,285                     | \$ 2,897,906        | \$ 5,466                                   | \$ 65,068                               | \$ 46,528                |
| <b>LIABILITIES</b>                       |                   |                 |                              |                                |                     |  |   |                          |
| Accounts payable                         | \$ -              | \$ -            | \$ -                         | \$ -                           | \$ 123,032          | \$ 4,752                                   | \$ -                                    | \$ -                     |
| Due to other funds                       | 34,022            | 14,758          | 2,480                        | 205,285                        | 2,774,874           | 714  | 65,068                                  | 46,528                   |
| Other liabilities                        | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Deferred revenues                        | 2                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Total liabilities                        | \$ 34,024         | \$ 14,758       | \$ 2,480                     | \$ 205,285                     | \$ 2,897,906        | \$ 5,466                                   | \$ 65,068                               | \$ 46,528                |
| <b>FUND BALANCE</b>                      |                   |                 |                              |                                |                     |  |   |                          |
| Reserved:                                |                   |                 |                              |                                |                     |  |   |                          |
| Capital contracts                        | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Unreserved:                              |                   |                 |                              |                                |                     |  |   |                          |
| Designated:                              |                   |                 |                              |                                |                     |  |   |                          |
| Capital contracts                        | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Instructional programs                   | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Undesignated                             | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Total fund balances                      | -                 | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Total liabilities and fund balances      | \$ 34,024         | \$ 14,758       | \$ 2,480                     | \$ 205,285                     | \$ 2,897,906        | \$ 5,466                                   | \$ 65,068                               | \$ 46,528                |

COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
June 30, 2006

| ASSETS                                   | 8 (g) Superior<br>Textbook | State Starting<br>PTS TANF<br>Match | State<br>Remediation<br>Program | 8 (g) Preschool<br>Block Grant | State Library<br>Allotment | State<br>Textbooks and<br>Materials | 8 (g) Block<br>Grant | Education<br>Excellence | K-3 Reading<br>and Math<br>Initiative |
|--|----------------------------|-------------------------------------|---------------------------------|--------------------------------|----------------------------|-------------------------------------|----------------------|-------------------------|---------------------------------------|
|  |                            |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Cash                                     | \$ -                       | -                                   | \$ -                            | -                              | \$ -                       | -                                   | \$ -                 | \$ -                    | -                                     |
| Other receivables                        | -                          | -                                   | -                               | -                              | -                          | 270                                 | 13                   | -                       | -                                     |
| Due from other funds                     | -                          | 45                                  | -                               | -                              | 4,234                      | 50,000                              | -                    | 1,355,175               | -                                     |
| Due from other governmental units:       |                            |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| State Department of Education            | 17,248                     | -                                   | 371,058                         | 111,182                        | -                          | 15,338                              | 81,682               | -                       | 71,678                                |
| United States Department of<br>Education | -                          | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Other units                              | -                          | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Prepaid expenses                         | -                          | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Total assets                             | \$ 17,248                  | 45                                  | \$ 371,058                      | \$ 111,182                     | \$ 4,234                   | \$ 65,608                           | \$ 81,682            | \$ 1,355,175            | \$ 71,678                             |
| LIABILITIES                              |                            |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Accounts payable                         | \$ -                       | -                                   | \$ -                            | -                              | \$ -                       | 789                                 | \$ -                 | \$ -                    | -                                     |
| Due to other funds                       | 17,248                     | 45                                  | 371,058                         | 111,182                        | -                          | 38,337                              | 78,182               | 536                     | 71,678                                |
| Other liabilities                        | -                          | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Deferred revenues                        | -                          | -                                   | -                               | -                              | -                          | -                                   | 3,490                | -                       | -                                     |
| Total liabilities                        | 17,248                     | 45                                  | 371,058                         | 111,182                        | -                          | 39,106                              | 81,682               | 536                     | 71,678                                |
| FUND BALANCE                             |                            |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Reserved:                                |                            |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Capital contracts                        | -                          | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Unreserved:                              |                            |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Designated:                              |                            |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Capital contracts                        | -                          | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Instructional programs                   | -                          | -                                   | -                               | -                              | 4,234                      | 28,502                              | -                    | -                       | -                                     |
| Undesignated                             | -                          | -                                   | -                               | -                              | -                          | -                                   | -                    | 1,354,639               | -                                     |
| Total fund balances                      | -                          | -                                   | -                               | -                              | 4,234                      | 28,502                              | -                    | 1,354,639               | -                                     |
| Total liabilities and fund balances      | \$ 17,248                  | 45                                  | \$ 371,058                      | \$ 111,182                     | \$ 4,234                   | \$ 65,608                           | \$ 81,682            | \$ 1,355,175            | \$ 71,678                             |



COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
June 30, 2006

|                                       | Teacher Assist/<br>Assessment<br>Program | State Jobs<br>for America's<br>Grads | State<br>Corrective<br>Action | Classroom<br>Based<br>Technology | Capturing Kids'<br>Hearts | Childcare<br>Program | Debt<br>Service | Capital<br>Projects | Total         |
|---------------------------------------|--|--------------------------------------|-------------------------------|----------------------------------|---------------------------|----------------------|-----------------|---------------------|---------------|
| <b>ASSETS</b>                         |  |                                      |                               |                                  |                           |                      |                 |                     |               |
| Cash                                  | \$ -                                     | \$ -                                 | \$ -                          | \$ -                             | \$ -                      | \$ -                 | \$ 171,532      | \$ 1,943,453        | \$ 2,114,985  |
| Other receivables                     | -  | 2,535                                | 47                            | -                                | -                         | -                    | -               | -                   | 733,216       |
| Due from other funds                  | -  | -                                    | 8,216                         | -                                | 3,697                     | -                    | -               | 335,240             | 1,763,830     |
| Due from other governmental units     |  |                                      |                               |                                  |                           |                      |                 |                     |               |
| State Department of Education         | 70,309                                   | 22,238                               | -                             | 53,085                           | -                         | -                    | -               | -                   | 5,615,774     |
| United States Department of Education | -  | -                                    | -                             | -                                | -                         | -                    | -               | -                   | 622,562       |
| Other units                           | -  | -                                    | -                             | -                                | -                         | 30,956               | -               | -                   | 53,470        |
| Prepaid expenses                      | -  | 373                                  | -                             | -                                | -                         | -                    | -               | -                   | 373           |
| Total assets                          | \$ 70,309                                | \$ 25,146                            | \$ 8,263                      | \$ 53,085                        | \$ 3,697                  | \$ 30,956            | \$ 171,532      | \$ 2,278,693        | \$ 10,904,210 |
| <b>LIABILITIES</b>                    |  |                                      |                               |                                  |                           |                      |                 |                     |               |
| Accounts payable                      | \$ -                                     | \$ 120                               | \$ -                          | \$ -                             | \$ -                      | \$ -                 | \$ -            | \$ 357,639          | \$ 539,610    |
| Due to other funds                    | 70,309                                   | 25,026                               | -                             | 53,085                           | 2,073                     | 30,956               | -               | 23,278              | 8,893,166     |
| Other liabilities                     | -  | -                                    | -                             | -                                | -                         | -                    | -               | -                   | 3,235         |
| Deferred revenues                     | -  | -                                    | 8,263                         | -                                | -                         | -                    | -               | -                   | 11,755        |
| Total liabilities                     | 70,309                                   | 25,146                               | 8,263                         | 53,085                           | 2,073                     | 30,956               | -               | 380,917             | 7,447,766     |
| <b>FUND BALANCE</b>                   |  |                                      |                               |                                  |                           |                      |                 |                     |               |
| Reserved:                             |  |                                      |                               |                                  |                           |                      |                 |                     |               |
| Capital contracts                     | -  | -                                    | -                             | -                                | -                         | -                    | 171,532         | 133,051             | 304,583       |
| Unreserved:                           |  |                                      |                               |                                  |                           |                      |                 |                     |               |
| Designated:                           |  |                                      |                               |                                  |                           |                      |                 |                     |               |
| Capital contracts                     | -  | -                                    | -                             | -                                | -                         | -                    | -               | 1,755,641           | 1,755,641     |
| Instructional programs                | -  | -                                    | -                             | -                                | -                         | -                    | -               | 30,736              | 30,736        |
| Undesignated                          | -  | -                                    | -                             | -                                | 1,624                     | -                    | -               | 9,084               | 1,065,484     |
| Total fund balances                   | -  | -                                    | -                             | -                                | 1,624                     | -                    | 171,532         | 1,897,776           | 3,456,444     |
| Total liabilities and fund balances   | \$ 70,309                                | \$ 25,146                            | \$ 8,263                      | \$ 53,085                        | \$ 3,697                  | \$ 30,956            | \$ 171,532      | \$ 2,278,693        | \$ 10,904,210 |

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
Tennobonne Parish School Board  
For the Year Ended June 30, 2008

| REVENUES   |              |                 |                      |                                 |                      |               |               |                             |
|--|--------------|-----------------|----------------------|---------------------------------|----------------------|---------------|---------------|-----------------------------|
| Local sources:   |              |                 |                      |                                 |                      |               |               |                             |
|  | NCLB Title V | Adult Education | Vocational Education | NCLB Title VII Indian Education | Education PL 101-476 | NCLB Title II | NCLB Title IV | U.S. Child-care Block Grant |
| \$   | -            | \$              | \$                   | \$                              | \$                   | \$            | \$            | \$                          |
| Ad valorem tax   | -            | -               | -                    | -                               | -                    | -             | -             | -                           |
| Interest earned  | -            | -               | 597                  | -                               | -                    | -             | 11,378        | -                           |
| Other  | -            | -               | -                    | -                               | -                    | -             | -             | -                           |
| State sources  | 70,703       | 298,600         | 308,948              | 319,920                         | 4,880,288            | 1,804,381     | 1,356,846     | 30,243                      |
| Federal sources  |              |                 |                      |                                 |                      |               |               |                             |
| Total revenues   | 70,703       | 298,600         | 308,945              | 319,920                         | 4,880,288            | 1,804,381     | 1,368,224     | 30,243                      |
| EXPENDITURES   |              |                 |                      |                                 |                      |               |               |                             |
| Instruction:   |              |                 |                      |                                 |                      |               |               |                             |
| Regular  | -            | -               | -                    | -                               | -                    | 1,229,340     | -             | -                           |
| Special  | -            | -               | -                    | -                               | 1,879,346            | -             | -             | -                           |
| Adult education  | -            | 279,701         | -                    | -                               | -                    | -             | 39,490.00     | 3,394                       |
| Vocational education   | -            | -               | 289,118              | -                               | -                    | -             | -             | -                           |
| Other instructional programs   | 11,392       | -               | -                    | 225,024                         | -                    | 915           | 941,452       | 25,150                      |
| Support services:  |              |                 |                      |                                 |                      |               |               |                             |
| Pupil support  | 55,263       | -               | -                    | 1,103                           | 1,545,880            | -             | 134,799       | -                           |
| Instructional staff  | -            | -               | 6,284                | 76,815                          | 798,837              | 514,544       | 166,123       | -                           |
| General administration   | 40           | 1,158           | 100                  | 100                             | 2,548                | 570           | 375           | -                           |
| School administration  | -            | -               | -                    | -                               | -                    | 4,860         | 184           | -                           |
| Business services  | -            | -               | -                    | 280                             | 28,272               | -             | 1,823         | -                           |
| Plant services   | -            | -               | -                    | 1,433                           | 20,894               | 20            | 1,787         | -                           |
| Food services  | -            | -               | -                    | -                               | -                    | -             | -             | -                           |
| Student transportation   | -            | -               | 3,433                | 1,345                           | 314,904              | -             | 76,072        | -                           |
| Central services   | 2            | 20              | 10                   | 22                              | 15,189               | 60            | 8             | -                           |
| Community services   | -            | -               | -                    | -                               | -                    | -             | -             | -                           |
| Facilities acquisition   | -            | -               | -                    | -                               | -                    | -             | -             | -                           |
| Total expenditures   | 66,687       | 280,879         | 308,945              | 306,122                         | 4,605,651            | 1,750,408     | 1,362,103     | 28,544                      |
| Excess (deficiency) of revenues over expenditures                                  | 4,006        | 17,721          | -                    | 13,798                          | 274,637              | 53,972        | 6,121         | 1,699                       |
| OTHER FINANCING SOURCES (USES)   |              |                 |                      |                                 |                      |               |               |                             |
| Operating transfers in   | -            | -               | -                    | -                               | -                    | 1,351         | -             | -                           |
| Operating transfers out  | -            | -               | -                    | -                               | -                    | -             | -             | -                           |
| Indirect costs received (paid)   | (4,006)      | (13,516)        | -                    | (13,798)                        | (274,637)            | (55,323)      | (71,813)      | (1,699)                     |
| Other sources (uses)   | -            | (4,205)         | -                    | -                               | -                    | -             | -             | -                           |
| Total other financing sources (uses)   | (4,006)      | (17,721)        | -                    | (13,798)                        | (274,637)            | (53,972)      | (71,813)      | (1,699)                     |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES |              |                 |                      |                                 |                      |               |               |                             |
|  | -            | -               | -                    | -                               | -                    | -             | (65,692)      | -                           |
| FUND BALANCES  |              |                 |                      |                                 |                      |               |               |                             |
| Beginning of year  | -            | -               | -                    | -                               | -                    | -             | 65,629        | -                           |
| Equity transfer  | -            | -               | -                    | -                               | -                    | -             | -             | -                           |
| End of year  | \$           | \$              | \$                   | \$                              | \$                   | \$            | \$ 137        | \$                          |

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|   | NCLB<br>Title III | NCLB<br>Title X | NCLB<br>FIE Earmark<br>Grant | NCLB<br>Title I<br>CSR Program | Natural<br>Disaster | MFP Special<br>Education<br>Gifted Program | State Special<br>Education<br>Act 22/23 | State Adult<br>Education |
|---|-------------------|-----------------|------------------------------|--------------------------------|---------------------|--|---|--------------------------|
| <b>REVENUES</b>   |                   |                 |                              |                                |                     |  |   |                          |
| Local sources   |                   |                 |                              |                                |                     |  |   |                          |
| Ad valorem tax  |                   | \$ -            | \$ -                         | \$ -                           | \$ -                | \$ -                                       | \$ -                                    | \$ -                     |
| Interest earned   |                   |                 |                              |                                |                     |  |   |                          |
| Other   |                   | 45,871          | -                            | -                              | 154,306             | -  | -                                       | -                        |
| State sources   |                   |                 |                              |                                |                     |  |   |                          |
| Federal sources   | 122,823           | 80,998          | 2,480                        | 449,131                        | 6,186,782           | -  | 91,834                                  | 109,181                  |
| <b>Total revenues</b>   | <b>122,823</b>    | <b>106,870</b>  | <b>2,480</b>                 | <b>449,131</b>                 | <b>6,341,088</b>    | <b>-</b>                                   | <b>91,834</b>                           | <b>109,181</b>           |
| <b>EXPENDITURES</b>   |                   |                 |                              |                                |                     |  |   |                          |
| Instruction:  |                   |                 |                              |                                |                     |  |   |                          |
| Regular   |                   | 25,186          | 85                           | 385,385                        | 1,473,458           | -  | -                                       | -                        |
| Special   |                   | -               | -                            | -                              | 165,086             | 9,939                                      | 51,153                                  | -                        |
| Adult education   |                   | -               | -                            | -                              | 3                   | -  | -                                       | 82,119                   |
| Vocational education  |                   | -               | -                            | -                              | 5,152               | -  | -                                       | -                        |
| Other instructional programs  | 120,393           | 7,476           | -                            | -                              | 33,117              | -  | -                                       | -                        |
| Support services:   |                   |                 |                              |                                |                     |  |   |                          |
| Pupil support   |                   | 70,712          | -                            | -                              | 1,285               | -  | 77                                      | -                        |
| Instructional staff   |                   | -               | 2,255                        | 23,684                         | 14,527              | -  | 9,061                                   | 7,427                    |
| General administration  | 20                | 30              | -                            | -                              | -                   | -  | -                                       | 18,304                   |
| School administration   |                   | -               | -                            | 311                            | 84,533              | -  | 5,531                                   | 3,330                    |
| Business services   |                   | -               | -                            | -                              | 4,885               | -  | -                                       | -                        |
| Plant services  |                   | -               | -                            | 300                            | 986,828             | -  | -                                       | -                        |
| Food services   |                   | -               | -                            | -                              | 234,259             | -  | -                                       | -                        |
| Student transportation  |                   | -               | -                            | -                              | 173,082             | -  | 34,012                                  | -                        |
| Central services  | 2                 | 2               | -                            | -                              | -                   | -  | -                                       | 1                        |
| Community services  |                   | -               | -                            | -                              | -                   | -  | -                                       | -                        |
| Facilities acquisition  |                   | -               | -                            | 14,375                         | -                   | -  | -                                       | -                        |
| <b>Total expenditures</b>   | <b>120,415</b>    | <b>103,408</b>  | <b>2,350</b>                 | <b>424,055</b>                 | <b>3,468,715</b>    | <b>9,939</b>                               | <b>91,834</b>                           | <b>109,181</b>           |
| Excess (deficiency) of revenues<br>over expenditures  | 2,408             | 3,464           | 130                          | 25,076                         | 2,872,373           | (9,939)                                    | -                                       | -                        |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                   |                 |                              |                                |                     |  |   |                          |
| Operating transfers in  |                   | -               | -                            | -                              | -                   | 9,939                                      | -                                       | -                        |
| Operating transfers out   |                   | -               | -                            | -                              | (4,697,339)         | -  | -                                       | -                        |
| Indirect costs received (paid)  | (2,408)           | (3,464)         | (130)                        | (25,076)                       | -                   | -  | -                                       | -                        |
| Other sources (uses)  |                   |                 |                              |                                | 1,824,983           | -  | -                                       | -                        |
| <b>Total other financing<br/>sources (uses)</b>   | <b>(2,408)</b>    | <b>(3,464)</b>  | <b>(130)</b>                 | <b>(25,076)</b>                | <b>(2,872,373)</b>  | <b>9,939</b>                               | <b>-</b>                                | <b>-</b>                 |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>AND OTHER SOURCES OVER<br/>EXPENDITURES AND OTHER USES</b> |                   |                 |                              |                                |                     |  |   |                          |
|   |                   |                 |                              |                                |                     |  |   |                          |
| <b>FUND BALANCES</b>  |                   |                 |                              |                                |                     |  |   |                          |
| Beginning of year   |                   |                 |                              |                                |                     |  |   |                          |
| Equity transfer   |                   |                 |                              |                                |                     |  |   |                          |
| End of year   |                   |                 |                              |                                |                     |  |   |                          |

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|   | 8(g) Superior<br>Textbook | State Starting<br>PTS TANF<br>Match | State<br>Remediation<br>Program | 8 (g) Preschool<br>Block Grant | State Library<br>Allotment | State<br>Textbooks and<br>Materials | 8 (g) Block<br>Grant | Education<br>Excellence | K-3 Reading<br>and Math<br>Initiative |
|---|---------------------------|-------------------------------------|---------------------------------|--------------------------------|----------------------------|-------------------------------------|----------------------|-------------------------|---------------------------------------|
| <b>REVENUES</b>   |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Local sources:  |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Ad valorem tax  | -                         | \$ -                                | \$ -                            | \$ -                           | \$ -                       | \$ -                                | \$ -                 | \$ -                    | \$ -                                  |
| Interest earned   | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Other   | 41                        | -                                   | -                               | -                              | -                          | 1,449                               | 2,116                | -                       | -                                     |
| State sources   | 22,482                    | 59,636                              | 591,673                         | 315,127                        | 51,710                     | 694,625                             | 186,408              | 900,000                 | 260,790                               |
| Federal sources   | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Total revenues  | 22,523                    | 59,636                              | 591,673                         | 315,127                        | 51,710                     | 696,274                             | 186,524              | 900,000                 | 260,790                               |
| <b>EXPENDITURES</b>   |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Instruction:  |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Regular   | 22,523                    | -                                   | -                               | -                              | -                          | 1,679,050                           | 60,763               | 242,396                 | 356,445                               |
| Special   | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | 306,937                 | -                                     |
| Adult education   | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Vocational education  | -                         | -                                   | -                               | -                              | -                          | 2,904                               | -                    | -                       | -                                     |
| Other instructional programs  | -                         | 59,636                              | 485,085                         | 304,414                        | -                          | -                                   | -                    | 127,230                 | -                                     |
| Support services:   |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Pupil support   | -                         | -                                   | 5,701                           | -                              | -                          | -                                   | 3,570                | -                       | -                                     |
| Instructional staff   | -                         | -                                   | 15,324                          | -                              | 49,166                     | -                                   | 124,191              | 96,802                  | 44,945                                |
| General administration  | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| School administration   | -                         | -                                   | 43,001                          | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Business services   | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Plant services  | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Food services   | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Student transportation  | -                         | -                                   | 80,274                          | 10,713                         | -                          | -                                   | -                    | 42                      | 16                                    |
| Central services  | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Community services  | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Facilities acquisition  | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Total expenditures  | 22,523                    | 59,636                              | 609,385                         | 315,127                        | 49,166                     | 1,681,954                           | 188,524              | 773,407                 | 401,406                               |
| Excess (deficiency) of revenues<br>over expenditures  | -                         | -                                   | (17,712)                        | -                              | 2,544                      | (985,680)                           | -                    | 126,593                 | (140,616)                             |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Operating transfers in  | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| Operating transfers out   | -                         | -                                   | 17,712                          | -                              | -                          | 735,816                             | -                    | 1,200,000               | 140,816                               |
| Indirect costs received (paid)  | -                         | -                                   | -                               | -                              | -                          | (4,258)                             | -                    | -                       | -                                     |
| Other sources (uses)  | -                         | -                                   | -                               | -                              | -                          | 1,991                               | -                    | -                       | -                                     |
| Total other financing<br>sources (uses)   | -                         | -                                   | 17,712                          | -                              | -                          | 733,549                             | -                    | 1,200,000               | 140,816                               |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>AND OTHER SOURCES OVER<br/>EXPENDITURES AND OTHER USES</b> |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
|   | -                         | -                                   | -                               | -                              | 2,544                      | (252,131)                           | -                    | 1,326,593               | -                                     |
| <b>FUND BALANCES</b>  |                           |                                     |                                 |                                |                            |                                     |                      |                         |                                       |
| Beginning of year   | -                         | -                                   | -                               | -                              | 1,890                      | 278,633                             | -                    | 28,046                  | -                                     |
| Equity transfer   | -                         | -                                   | -                               | -                              | -                          | -                                   | -                    | -                       | -                                     |
| End of year   | -                         | -                                   | -                               | -                              | 4,234                      | 28,502                              | -                    | 1,354,639               | -                                     |

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

| REVENUES   | Teacher Assist/<br>Assessment<br>Program | State Jobs<br>for America's<br>Grads | Classroom<br>Based<br>Technology | State<br>Corrective<br>Action | Capturing<br>Kids' Hearts | Childcare<br>Program | Debt<br>Service | Capital<br>Projects | Total       |
|--|--|--------------------------------------|----------------------------------|-------------------------------|---------------------------|----------------------|-----------------|---------------------|-------------|
|  |  |                                      |                                  |                               |                           |                      |                 |                     |             |
| Local sources:   |  |                                      |                                  |                               |                           |                      |                 |                     |             |
| Ad valorem tax   |  | \$                                   | \$                               | \$                            | \$                        | \$                   | \$              | \$                  | \$ 707      |
| Interest earned  |  |                                      |                                  |                               |                           |                      | 6,051           | 7,761               | 13,812      |
| Other  |  |                                      |                                  | 47                            |                           | 291,696              |                 |                     | 507,901     |
| State sources  | 95,318                                   | 49,738                               | 224,025                          | 119,575                       |                           |                      |                 |                     | 3,772,322   |
| Federal sources  |  |                                      |                                  |                               |                           |                      |                 |                     | 15,891,544  |
| Total revenues   | 95,318                                   | 49,738                               | 224,025                          | 119,622                       |                           | 291,696              | 6,758           | 7,761               | 20,185,886  |
| EXPENDITURES   |  |                                      |                                  |                               |                           |                      |                 |                     |             |
| Instruction:   |  |                                      |                                  |                               |                           |                      |                 |                     |             |
| Regular  | 6,844                                    |                                      | 224,025                          | 118,303                       | 2,073                     |                      |                 |                     | 5,825,886   |
| Special  |  |                                      |                                  |                               |                           |                      |                 |                     | 2,412,470   |
| Adult education  |  |                                      |                                  |                               |                           |                      |                 |                     | 404,707     |
| Vocational education   |  |                                      |                                  |                               |                           |                      |                 |                     | 307,174     |
| Other instructional programs   |  | 49,738                               |                                  |                               |                           | 291,696              |                 |                     | 2,682,718   |
| Support services:  |  |                                      |                                  |                               |                           |                      |                 |                     |             |
| Pupil support  |  |                                      |                                  |                               |                           |                      |                 |                     | 1,818,370   |
| Instructional staff  | 88,474                                   |                                      |                                  |                               |                           |                      |                 |                     | 2,032,259   |
| General administration   |  |                                      |                                  |                               |                           |                      |                 |                     | 21,246      |
| School administration  |  |                                      |                                  |                               |                           |                      |                 |                     | 136,500     |
| Business services  |  |                                      |                                  |                               |                           |                      |                 |                     | 38,990      |
| Plant services   |  |                                      |                                  | 803                           |                           |                      |                 | 41,982              | 1,034,037   |
| Food services  |  |                                      |                                  |                               |                           |                      |                 |                     | 234,259     |
| Student transportation   |  |                                      |                                  |                               |                           |                      |                 |                     | 673,845     |
| Central services   |  |                                      |                                  |                               |                           |                      |                 |                     | 15,374      |
| Community services   |  |                                      |                                  |                               |                           |                      |                 |                     | 14,891      |
| Facilities acquisition   |  |                                      |                                  | 516                           |                           |                      |                 | 415,737             | 728,218     |
| Total expenditures   | 95,318                                   | 49,738                               | 224,025                          | 119,622                       | 2,073                     | 291,696              |                 | 457,899             | 18,390,544  |
| Excess (deficiency) of revenues<br>over expenditures                                     |  |                                      |                                  |                               | (2,073)                   |                      | 6,758           | (449,938)           | 1,805,342   |
| OTHER FINANCING SOURCES (USES)   |  |                                      |                                  |                               |                           |                      |                 |                     |             |
| Operating transfers in   |  |                                      |                                  |                               |                           |                      |                 | 2,235,389           | 4,340,823   |
| Operating transfers out  |  |                                      |                                  |                               |                           |                      |                 |                     | (4,697,336) |
| Indirect costs received (paid)   |  |                                      |                                  |                               |                           |                      |                 |                     | (470,128)   |
| Other sources (uses)   |  |                                      |                                  |                               |                           |                      |                 |                     | 1,822,748   |
| Total other financing<br>sources (uses)  |  |                                      |                                  |                               |                           |                      |                 | 2,235,389           | 998,106     |
| EXCESS (DEFICIENCY) OF REVENUES<br>AND OTHER SOURCES OVER<br>EXPENDITURES AND OTHER USES |  |                                      |                                  |                               | (2,073)                   |                      | 6,758           | 1,785,451           | 2,801,450   |
| FUND BALANCES  |  |                                      |                                  |                               |                           |                      |                 |                     |             |
| Beginning of year  |  |                                      |                                  |                               |                           |                      |                 |                     | 654,994     |
| Equity transfer  |  |                                      |                                  |                               | 3,897                     |                      | 164,774         | 112,325             |             |
| End of year  |  |                                      |                                  |                               | 1,624                     |                      | 171,532         | 1,897,776           | 3,458,444   |

**SUPPLEMENTAL INFORMATION  
PROPRIETARY FUND TYPE  
INTERNAL SERVICE FUNDS**

**Terrebonne Parish School Board**

**June 30, 2006**

**Loss Fund**

The Loss Fund was created pursuant to Board direction and placed the proceeds in a dedicated fund to provide for uninsured property and content losses. In addition, this fund serves to accumulate resources sufficient to handle all property and casualty losses, which fall within any deductible conditions or any self-insured retention program developed in the future.

**Workers' Compensation Fund**

The Workers' Compensation Claims Fund was created pursuant to Board direction for payment of workers' compensation claims not covered by insurance policies. Revenues and Other Financing Sources of the fund include interest earnings and premiums charged to other system funds through the use of internally determined workers' compensation rates. Other Financial Uses include an excess loss insurance policy, claims administration, loss control expenses, compensation payments, and medical expenses disbursed to or for claimants. The estimated liability for compensation claims existing at year end, as determined by the program administrator, is recognized in the accounts for financial reporting purposes.

**Group Insurance Claims Fund**

The Group Insurance Claims Fund was created pursuant to Board direction to monitor operating results of a partially self-insured group health and dental insurance program for both active and retired personnel. Other Financing Sources of the fund include interest earnings and premiums charged to other system funds through the use of internally determined insurance premiums. Other Financing Uses include claims paid and estimated claims incurred but not yet paid or filed at year end.

COMBINING STATEMENT OF NET ASSETS  
 PROPRIETARY FUND TYPE  
 INTERNAL SERVICE FUNDS  
 Terrebonne Parish School Board  
 June 30, 2006

|  | Loss<br>Fund            | Workers<br>Compensation | Group<br>Insurance<br>Claims Fund | Total                    |
|--|-------------------------|-------------------------|-----------------------------------|--------------------------|
| <b>ASSETS</b>  |                         |                         |                                   |                          |
| Cash   | \$ 1,207,425            | \$ 340,275              | \$ 10,281,593                     | \$ 11,829,293            |
| Cash with fiscal agents  | 42,418                  | 45,000                  | -                                 | 87,418                   |
| Other receivables  | 1,865                   | -                       | 11                                | 1,876                    |
| Due from other funds   | -                       | 170,294                 | 179,181                           | 349,475                  |
| Prepaid expenses   | -                       | 66,904                  | -                                 | 66,904                   |
| <br>Total assets   | <br><u>\$ 1,251,708</u> | <br><u>\$ 622,473</u>   | <br><u>\$ 10,460,785</u>          | <br><u>\$ 12,334,966</u> |
| <b>LIABILITIES</b>   |                         |                         |                                   |                          |
| Claims payable   | \$ -                    | \$ -                    | \$ -                              | \$ -                     |
| Due to other funds   | 191,500                 | -                       | -                                 | 191,500                  |
| Accrued employee benefits -<br>estimated liability for<br>outstanding claims | -                       | 485,511                 | 6,327,557                         | 6,813,068                |
| <br>Total liabilities  | <br><u>191,500</u>      | <br><u>485,511</u>      | <br><u>6,327,557</u>              | <br><u>7,004,568</u>     |
| <b>NET ASSETS</b>  |                         |                         |                                   |                          |
| Restricted:  |                         |                         |                                   |                          |
| Uninsured losses   | 1,060,208               | -                       | -                                 | 1,060,208                |
| Unrestricted:  |                         |                         |                                   |                          |
| Designated for insurance   | -                       | 136,962                 | 4,133,228                         | 4,270,190                |
| <br>Total net assets   | <br><u>1,060,208</u>    | <br><u>136,962</u>      | <br><u>4,133,228</u>              | <br><u>5,330,398</u>     |
| <br>Total liabilities and net assets   | <br><u>\$ 1,251,708</u> | <br><u>\$ 622,473</u>   | <br><u>\$ 10,460,785</u>          | <br><u>\$ 12,334,966</u> |

COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUND TYPE  
INTERNAL SERVICE FUNDS  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|  | Loss<br>Fund | Workers<br>Compensation | Group<br>Insurance<br>Claims Fund | Total         |
|--|--------------|-------------------------|-----------------------------------|---------------|
| <b><u>OPERATING REVENUES</u></b>       |              |                         |                                   |               |
| Insurance premium billings             | \$ 5,110     | \$ 779,840              | \$ 24,113,081                     | \$ 24,898,031 |
| Recoveries of insurance cases          | -            | -                       | 280,747                           | 280,747       |
| Total operating revenues               | 5,110        | 779,840                 | 24,393,828                        | 25,178,778    |
| <b><u>OPERATING EXPENSES</u></b>       |              |                         |                                   |               |
| Claims expense                         | 409,835      | 609,992                 | 23,269,906                        | 24,289,733    |
| General administration                 | -            | -                       | 8,520                             | 8,520         |
| Reinsurance and<br>administration fees | 220,809      | 115,968                 | 2,097,476                         | 2,434,053     |
| Total operating expenses               | 630,444      | 725,960                 | 25,375,902                        | 26,732,306    |
| Operating income (loss)                | (625,334)    | 53,880                  | (982,074)                         | (1,553,528)   |
| <b><u>NON-OPERATING REVENUES</u></b>   |              |                         |                                   |               |
| Interest earned                        | 27,578       | 8,467                   | 412,717                           | 448,762       |
| Operating transfers in                 | 600,000      | -                       | 1,200,000                         | 1,800,000     |
| Total non-operating revenue            | 627,578      | 8,467                   | 1,612,717                         | 2,248,762     |
| Change in net assets                   | 2,244        | 62,347                  | 630,643                           | 695,234       |
| <b><u>NET ASSETS</u></b>               |              |                         |                                   |               |
| Beginning                              | 1,057,964    | 74,615                  | 3,502,585                         | 4,635,164     |
| Ending                                 | \$ 1,060,208 | \$ 136,962              | \$ 4,133,228                      | \$ 5,330,398  |



COMBINING STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPE - INTERNAL SERVICE FUND  
 Terrebonne Parish School Board  
 For the Year Ended June 30, 2006

|   | Loss<br>Fund        | Workers<br>Compensation<br>Fund | Group<br>Insurance<br>Claims<br>Fund | Total                 |
|---|---------------------|---------------------------------|--------------------------------------|-----------------------|
| <b><u>CASH FLOWS FROM OPERATING<br/>ACTIVITIES</u></b>  |                     |                                 |                                      |                       |
| Received from assessments made<br>to other funds  | \$ -                | \$ 779,840                      | \$ 24,458,159                        | \$ 25,237,999         |
| Received from other sources   | 5,110               | -                               | -                                    | 5,110                 |
| Payments for claims   | (247,316)           | (592,471)                       | (23,533,174)                         | (24,372,961)          |
| Payments for reinsurance and<br>administrative fees   | (220,609)           | (115,968)                       | (2,105,996)                          | (2,442,573)           |
| Cash provided (used) by operating<br>activities   | (462,815)           | 71,401                          | (1,181,011)                          | (1,572,425)           |
| <b><u>CASH FLOWS FROM NON-OPERATING<br/>ACTIVITIES</u></b>  |                     |                                 |                                      |                       |
| Operating transfers in  | 600,000             | -                               | 1,200,000                            | 1,800,000             |
| <b><u>CASH FLOWS FROM INVESTING<br/>ACTIVITIES</u></b>  |                     |                                 |                                      |                       |
| Interest on investments   | 27,578              | 8,467                           | 412,717                              | 448,762               |
| <b><u>NET INCREASE (DECREASE) IN CASH<br/>AND CASH EQUIVALENTS</u></b>                                      | 164,763             | 79,868                          | 431,706                              | 676,337               |
| <b><u>CASH AND CASH EQUIVALENTS AT<br/>Beginning of year</u></b>  | 1,085,080           | 305,407                         | 9,849,887                            | 11,240,374            |
| <b><u>End of year</u></b>   | <u>\$ 1,249,843</u> | <u>\$ 385,275</u>               | <u>\$ 10,281,593</u>                 | <u>\$ 11,916,711</u>  |
| <b><u>CASH AND CASH EQUIVALENTS AT<br/>END OF THE YEAR CONSISTED OF:</u></b>                                |                     |                                 |                                      |                       |
| Cash  | \$ 1,207,425        | \$ 340,275                      | \$ 10,281,593                        | \$ 11,829,293         |
| Cash with fiscal agent  | 42,418              | 45,000                          | -                                    | 87,418                |
|   | <u>\$ 1,249,843</u> | <u>\$ 385,275</u>               | <u>\$ 10,281,593</u>                 | <u>\$ 11,916,711</u>  |
| <b><u>RECONCILIATION OF OPERATING INCOME TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>           |                     |                                 |                                      |                       |
| Operating Income (loss)   | \$ (625,334)        | \$ 53,880                       | \$ (982,074)                         | \$ (1,553,528)        |
| Adjustments to reconcile operating income (loss)<br>to net cash provided by (used in) operating activities: |                     |                                 |                                      |                       |
| Changes in assets and liabilities:  |                     |                                 |                                      |                       |
| Receivables   | 18,349              | (99,138)                        | (74,900)                             | (155,689)             |
| Accounts payable and other liabilities  | 144,170             | 116,659                         | (124,037)                            | 136,792               |
| Net cash provided (used) by operating activities  | <u>\$ (462,815)</u> | <u>\$ 71,401</u>                | <u>\$ (1,181,011)</u>                | <u>\$ (1,572,425)</u> |

**SUPPLEMENTAL INFORMATION  
FIDUCIARY FUND TYPE  
FUND DESCRIPTIONS**

**Terrebonne Parish School Board**

**June 30, 2006**

**IRC Section 125 Employee Benefits Fund**

This fund accounts for disbursement of reimbursement benefits to employees participating in the School Board's Internal Revenue Code Section 125 Employee Benefits (Cafeteria) Plan. Deposits consist of payroll deductions for participating personnel. Disbursements are processed and reimbursement checks are issued by an appointed independent administrator. Interest earnings on the fund checking account are recognized in the General Operating Fund. The plan provides for tax sheltered payment of certain employee benefit expenses, principally, group term hospitalization and life insurance.

**School Activity Accounts**

Each of the schools in the parish accounts for monies held by the school through the use of school activity accounts, and at the secondary level, where appropriate, athletic activity accounts, and stadium maintenance accounts. The accounting records are maintained at each facility under the supervision of the school principal. Year-end statements of receipts and disbursements are prepared by the school administrator and transmitted to the Assistant Superintendent of Administration and Statistics.

Each school activity account monitors proceeds expended for a variety of activities such as sales of concessions, student pictures, student club activities, and various other expenditures for instructional and school operating supplies.

Athletic accounts monitor revenues and expenditures related to various athletic programs, including the costs of equipment, supplies and services required in the program.

Stadium maintenance accounts monitor costs of operation and maintenance of athletic facilities. Schools using such facilities are charged a pro-rated facility use fee based upon the number of events held in the facility, and the direct cost of custodial services.

COMBINING STATEMENT OF CHANGES IN ASSET BALANCES  
FIDUCIARY FUND TYPE  
AGENCY - SCHOOL ACTIVITY ACCOUNTS  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

| Schools                         | Balance<br>6/30/05 | Additions    | Deletions    | Balance<br>6/30/06 |
|---------------------------------|--------------------|--------------|--------------|--------------------|
| Acadian                         | \$ 35,901          | \$ 185,919   | \$ 161,649   | \$ 60,171          |
| Bayou Black                     | 16,610             | 25,406       | 25,815       | 16,201             |
| Bayou Cane - Adult Education    | 19,753             | 18,321       | 17,405       | 20,669             |
| Boudreaux Canal                 | 13,952             | 27,413       | 22,599       | 18,766             |
| Bourg                           | 38,939             | 140,559      | 124,116      | 55,382             |
| H.L. Bourgeois                  | 188,922            | 613,155      | 539,072      | 263,005            |
| Broadmoor                       | 88,783             | 216,245      | 188,751      | 116,277            |
| Caldwell                        | 56,852             | 145,819      | 140,823      | 61,848             |
| Coteau Bayou Blue               | 70,651             | 128,318      | 109,259      | 89,710             |
| Dularge Elementary              | 28,678             | 33,962       | 26,953       | 35,687             |
| Dularge Middle                  | 49,905             | 36,269       | 28,344       | 57,830             |
| East Houma                      | 28,871             | 61,462       | 50,717       | 37,616             |
| East Street                     | 418                | 582          | 294          | 706                |
| Ellender Memorial High          | 96,751             | 507,050      | 433,535      | 170,266            |
| Elysian Fields                  | 13,827             | 51,213       | 47,458       | 17,582             |
| Evergreen Jr. High              | 163,492            | 269,429      | 222,479      | 210,442            |
| Gibson                          | 5,905              | 33,679       | 33,673       | 5,911              |
| Grand Caillou Elementary        | 33,433             | 112,986      | 57,486       | 88,953             |
| Grand Caillou Middle            | 12,184             | 78,500       | 57,852       | 32,832             |
| Greenwood                       | 2,466              | 32,876       | 27,910       | 7,432              |
| Honduras                        | 35,626             | 59,401       | 43,695       | 51,332             |
| Houma Jr. High                  | 43,339             | 266,951      | 247,215      | 63,075             |
| Lacache                         | 56,039             | 83,882       | 76,875       | 63,046             |
| Legion Park                     | 20,542             | 22,733       | 20,093       | 23,182             |
| Lisa Park                       | 15,887             | 199,367      | 179,619      | 35,635             |
| Little Caillou                  | 15,814             | 17,547       | 15,893       | 17,468             |
| Montegut Elementary             | 13,261             | 50,207       | 48,824       | 14,644             |
| Montegut Middle                 | 43,164             | 147,923      | 125,439      | 65,648             |
| Mulberry                        | 47,276             | 406,036      | 394,848      | 58,464             |
| Oaklawn Jr. High                | 39,955             | 114,866      | 102,016      | 52,805             |
| Oakshire                        | 28,526             | 190,233      | 155,783      | 62,976             |
| Pointe-Aux-Chenes               | 14,410             | 32,351       | 25,992       | 20,769             |
| Andrew Price                    | 1,847              | 3,287        | 1,417        | 3,717              |
| School for Exceptional Children | 76,094             | 15,050       | 17,263       | 73,881             |
| Schriever                       | 61,832             | 142,965      | 129,462      | 75,335             |
| Southdown                       | 8,861              | 62,679       | 48,821       | 22,719             |
| South Terrebonne High           | 204,259            | 617,754      | 525,333      | 296,680            |
| Terrebonne High                 | 240,427            | 791,475      | 666,588      | 365,314            |
| Upper Little Caillou            | 39,489             | 127,908      | 119,014      | 48,383             |
| Village East                    | 29,536             | 61,833       | 51,926       | 39,443             |
| Vocational Technical High       | 19,109             | 50,305       | 43,973       | 25,441             |
| West Park                       | 13,905             | 50,726       | 51,376       | 13,255             |
| Total                           | \$ 2,033,491       | \$ 6,234,642 | \$ 5,407,635 | \$ 2,860,498       |

Schedule of  
COMPENSATION PAID TO BOARD MEMBERS  
Terrebonne Parish School Board  
For the Year Ended June 30, 2006

|                    | <u>Amount</u>    |
|--------------------|------------------|
| Hayes Badeaux, Jr. | \$ 9,600         |
| Clark Bonvillain   | 10,800           |
| L.P. Bordelon III  | 9,600            |
| Roger Dale Dehart  | 9,600            |
| Donald Duplantis   | 9,600            |
| Gregory Harding    | 9,600            |
| Richard Jackson    | 9,600            |
| Roosevelt Thomas   | 9,600            |
| Rickie Pitre       | 9,600            |
|                    | <u>\$ 87,600</u> |

Board member compensation is included in the general administrative expenditure of the General Fund.

## OTHER REQUIRED REPORTS

# SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Terrebonne Parish School Board

For the year ended June 30, 2006

| Federal Granting Agency/Recipient<br>State Agency/Grant Program                   | GRANT<br>NUMBER            | CFDA<br>NUMBER | REVENUE<br>RECEIVED | EXPENDITURE<br>AMOUNT |
|---|----------------------------|----------------|---------------------|-----------------------|
| <u>Pass through payments from State Department of Agriculture</u>                 |                            |                |                     |                       |
| USDA Nutrition Cluster:   |                            |                |                     |                       |
| School Breakfast Program  | SL-4 SL-11                 | 10.553         | \$ 1,178,987        | \$ 1,178,987          |
| School Lunch Program  |                            | 10.555         | 3,943,412           | 3,943,412             |
| Total Nutrition Cluster   |                            |                | 5,122,399           | 5,122,399             |
| USDA Commodities (NOTE 2)   |                            |                |                     |                       |
| Total - Department of Agriculture   |                            | 10.550         | 406,494             | 406,494               |
|   |                            |                | 5,528,893           | 5,528,893             |
| <u>Department of Education</u>  |                            |                |                     |                       |
| <u>Direct payments:</u>   |                            |                |                     |                       |
| NCLB Title VII Indian Education - Current   | B060A040646                | 84.060A        | 302,179             | 302,179               |
| NCLB Title IX Indian Education - Prior Year                                       | E060A030646                | 84.060A        | 17,741              | 17,741                |
| NCLB FIE Earmark Grant  | U215K040412                | 84.215K        | 2,480               | 2,480                 |
| <u>Pass through payments from State Dept. of Education</u>                        |                            |                |                     |                       |
| NCLB Title I - Terrebonne Educational Enrichment - Current                        | S010A050018                | 84.010A        | 5,204,670           | 5,204,670             |
| NCLB Title I - Terrebonne Educational Enrichment - Prior Year                     | 05-T1-55                   | 84.010A        | 383,975             | 383,975               |
| NCLB Title I - Terrebonne Educational Enrichment - Carryover                      | 28-05-TB-55                | 84.010A        | 73,880              | 73,880                |
| NCLB Title I - Comprehensive School Reform Program - Current                      | 28-05-T8-55-C, 28-05-T9-55 | 84.332A        | 412,824             | 412,824               |
| NCLB Title I - Comprehensive School Reform Program - Prior                        | 28-04-T6-55-C, 28-04-T7-55 | 84.332A        | 36,307              | 36,307                |
| NCLB Title I - Migrant Education - Current  | 06-M1-29                   | 84.011A        | 104,660             | 104,660               |
| NCLB Title I - Migrant Education - Prior  | 05-M1-29                   | 84.011A        | 16,842              | 16,842                |
| NCLB Title II, Part A, Teacher and Principal Training & Recruiting Fund - Current | 28-06-50-55                | 84.367A        | 1,494,499           | 1,494,499             |

# SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Terrebonne Parish School Board

For the year ended June 30, 2006

| Federal Granting Agency/Recipient                                  | GRANT           | CFDA    | REVENUE | EXPENDITURE |
|--|-----------------|---------|---------|-------------|
| NCLB Title II PL 100-297 - Prior year                              | 28-05-50-55     | 84.367A | 93,571  | 93,571      |
| NCLB Title II-Part C-Teaching American History Grant - Current     | S215X010155     | 84.215X | 13,277  | 13,277      |
| NCLB Title II-Part C-Teaching American History Grant - Current     | U215X050310     | 84.215X | 5,879   | 5,879       |
| NCLB Title II - Enhancing Education Through Technology - Current   | 28-06-49-55     | 84.318X | 20,208  | 20,208      |
| NCLB Title II - Enhancing Education Through Technology - Prior     | 28-05-49-55     | 84.318X | 67,725  | 67,725      |
| NCLB Title II - Enhancing Education Through Technology - Carryover | 28-04-49-55 C/O | 84.318X | 50,931  | 50,931      |
| NCLB TITLE II-Math and Science Partnerships-Competitive            | 2805MP-29       | 84.366B | 58,291  | 58,291      |
| NCLB Title III - Current   | T365A050018     | 84.365A | 116,443 | 116,443     |
| NCLB Title III - Prior   | 28-05-60-55     | 84.365A | 6,380   | 6,380       |
| NCLB Title IV-Community Learning Centers-Move I - Current          | 28-04CC-55      | 84.287C | 670,502 | 670,502     |
| NCLB Title IV-Community Learning Centers-Move I - Prior            | 28-04C2-55      | 84.287C | 55,396  | 55,396      |
| NCLB Title IV-Community Learning Centers-Move II - Current         | 28-04C2-55      | 84.287C | 482,057 | 482,057     |
| NCLB Title IV-Drug Free Schools and Community Act - Current        | 28-05-70-55     | 84.186A | 120,429 | 120,429     |
| NCLB Title IV-Drug Free Schools and Community Act - Prior          | 28-04-70-55     | 84.186A | 28,462  | 28,462      |
| NCLB Title V - Innovative Education Program Strategies - Current   | S298A50018      | 84.298A | 61,276  | 61,276      |
| NCLB Title V - Innovative Education Program Strategies - Prior     | 28-05-80-55     | 84.298A | 9,427   | 9,427       |
| NCLB Title X - Homeless Grant - Current                            | 28-06-H1-55     | 84.196A | 54,336  | 54,336      |
| NCLB Title X - Homeless Grant - Prior                              | 28-05-H1-55     | 84.196A | 6,662   | 6,662       |
| Adult Basic Education - Current                                    | 28-06-44-55     | 84.002A | 156,417 | 156,417     |
| Adult Basic Education - Prior                                      | 28-05-44-55     | 84.002A | 12,459  | 12,459      |
| Adult Basic Education - Federal Funds Corrections                  | 28-06-44-55     | 84.002A | 3,299   | 3,299       |
| Adult Education - Training/Workforce                               | 28-06-tw-55     | 17.267  | 4,205   | 4,205       |
| Adult Basic Education - English/Language/Civics - Current          | 28-06-07-55     | 84.002A | 22,008  | 22,008      |
| Adult Basic Education - English/Language/Civics - Prior            | 28-05-07-55     | 84.002A | 1,850   | 1,850       |
| Adult Basic Education - Family Literacy - Current                  | 28-06-43-55     | 84.002A | 92,548  | 92,548      |

# SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Terrebonne Parish School Board

For the year ended June 30, 2006

| Federal Granting Agency/Recipient                                 | GRANT       | CFDA    | REVENUE    | EXPENDITURE |
|---|-------------|---------|------------|-------------|
| Adult Basic Education - Family Literacy - Prior                   | 28-05-43-55 | 84.002A | 5,814      | 5,814       |
| Vocational Education:   |             |         |            |             |
| Carl D. Perkins Act   |             |         |            |             |
| Basic Grant - PL 101-392  | 28-06-02-55 | 84.048  | 260,673    | 260,673     |
| Basic Grant - PL 101-392 - Flow-Through                           | FY05        | 84.048  | 48         | 48          |
| Basic Grant - PL 101-392 - Carryover                              | 280502-55-C | 84.048  | 41,508     | 41,508      |
| Tech Prep - Current   | CPERKTP006  | 84.048  | 6,120      | 6,120       |
| Hurricane Education Recovery Act:                                 |             |         |            |             |
| Restart Program   | 28061R-55   | 84.938A | 156,564    | 156,564     |
| Homeless Youth  | 28-06-1H-55 | 84.938B | 26,092     | 26,092      |
| Emergency Impact Aid:   |             |         |            |             |
| Public  | 28061P-55   | 84.938C | 4,567,413  | 4,567,413   |
| Nonpublic   | 28061A-55   | 84.938C | 331,418    | 331,418     |
| Special Education Cluster   |             |         |            |             |
| PL 101-476 - Special Education - Current                          | H027A050033 | 84.027A | 4,044,469  | 4,044,469   |
| PL 101-476 - Special Education - Prior year                       | 28-05-B1-55 | 84.027A | 667,988    | 667,988     |
| PL 101-476 - IDEA Support for the Pre/GED/Skilled Options Program | 28-06-SO-55 | 84.027A | 11,306     | 11,306      |
| PL 101-476 - Pre-school - Current                                 | H173A050082 | 84.173A | 118,128    | 118,128     |
| PL 101-476 - Pre-school - Prior year                              | 28-05-P1-55 | 84.173A | 38,397     | 38,397      |
| Total Special Education Cluster                                   |             |         | 4,880,288  | 4,880,288   |
| Total United States Department of Education                       |             |         | 20,540,033 | 20,540,033  |



# SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Terrebonne Parish School Board

For the year ended June 30, 2006

| Federal Granting Agency/Recipient                               | GRANT       | CFDA   | REVENUE       | EXPENDITURE   |
|---|-------------|--------|---------------|---------------|
| <u>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</u>                |             |        |               |               |
| Pass through payments from State Department of Education        |             |        |               |               |
| Temporary Assistance for Needy Families - Preschool             | 280635      | 93.575 | 26,679        | 26,679        |
| Temporary Assistance for Needy Families - S.T.E.P. - Current    | 28-06-EP-55 | 93.558 | 3,564         | 3,564         |
|   |             |        | 30,243        | 30,243        |
| <u>DEPARTMENT OF DEFENSE</u>                                    |             |        |               |               |
| Pass through payments from State Department of Treasury         |             |        |               |               |
| Emergency Rehabilitation of Flood Control Works and             |             |        |               |               |
| Federally Authorized Coastal Protection Works                   |             |        |               |               |
| Rehabilitation Act  | None        | 12.102 | 222           | 222           |
| <u>DEPARTMENT OF HOMELAND SECURITY</u>                          |             |        |               |               |
| Pass through payments from State Department of Military Affairs |             |        |               |               |
| Public Assistance Grants  | None        | 97.036 | 1,105,295     | 1,105,295     |
| Total program expenditures                                      |             |        | \$ 27,204,686 | \$ 27,204,686 |

# SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Terrebonne Parish School Board

For the year ended June 30, 2006

Federal Granting Agency/Recipient

GRANT CFDA REVENUE EXPENDITURE

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available as current assets. Expenditures are generally recognized when the liability is incurred.

### NOTE 2: USDA COMMODITIES

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received.

**TERREBONNE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2006**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Terrebonne Parish School Board.
2. No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of the Terrebonne Parish School Board were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the Terrebonne Parish School Board expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the Terrebonne Parish School Board are reported in Part C of this Schedule.
7. The programs tested as major programs include:

|   |              |
|---|--------------|
| School Breakfast Program                        | CFDA# 10.553 |
| School Lunch Program                            | CFDA# 10.554 |
| NCLB Title II, Part A Improving Teacher Quality |              |
| State Grants                                    | CFDA# 84.367 |
| Hurricane Education Recovery Act                | CFDA# 84.938 |
| Public Assistance Grants                        | CFDA# 97.036 |
8. The threshold for distinguishing Types A and B programs was \$816,140.
9. The Terrebonne Parish School Board was determined to be a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

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# Lanaux & Felger

— CERTIFIED PUBLIC ACCOUNTANTS —  
A PROFESSIONAL CORPORATION

THOMAS J. LANAUX, CPA  
MARK S. FELGER, CPA

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Terrebonne Parish School Board  
Houma, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Terrebonne Parish School Board as of and for the year ended June 30, 2006, which collectively comprise the Terrebonne Parish School Board's basic financial statements and have issued our report thereon dated December 8, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Terrebonne Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Terrebonne Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information and use of the Terrebonne Parish School Board, the State of Louisiana, the Legislative Auditor for the State of Louisiana, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Lanoux & Fulger*

December 8, 2006

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# Lanaux & Felger

— CERTIFIED PUBLIC ACCOUNTANTS —  
A PROFESSIONAL CORPORATION

THOMAS J. LANAUX, CPA  
MARK S. FELGER, CPA

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Terrebonne Parish School Board  
Houma, Louisiana

### Compliance

We have audited the compliance of the Terrebonne Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 "Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2006. The Terrebonne Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Terrebonne Parish School Board's management. Our responsibility is to express an opinion on the Terrebonne Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Terrebonne Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the Terrebonne Parish School Board's compliance with those requirements.

In our opinion, the Terrebonne Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

The management of the Terrebonne Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Terrebonne Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

This report is intended for the information and use of the Terrebonne Parish School Board, the State of Louisiana, the Legislative Auditor for the State of Louisiana, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Lanang: July

**TERREBONNE PARISH SCHOOL BOARD  
SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended June 30, 2006**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL  
STATEMENTS**

There were none.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL  
AWARDS**

There were none.

**SECTION III MANAGEMENT LETTER**

No management letter was issued for the year ended June 30, 2005.



**TERREBONNE PARISH SCHOOL BOARD  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
For the Year Ended June 30, 2006**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL  
STATEMENT**

No findings were reported which required a response from management.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL  
AWARDS**

No findings were reported which required a response from management.

**SECTION III MANAGEMENT LETTER**

No management letter was issued for the year ended June 30, 2006.

## SCHOOL BOARD PERFORMANCE MEASURES

TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2006

**GENERAL FUND INSTRUCTIONAL AND EQUIPMENT EXPENDITURES**

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

|  |                |               |
|--|----------------|---------------|
| Classroom teacher salaries                       | \$ 47,877,094  |               |
| Other instructional staff salaries               | 5,481,850      |               |
| Employee benefits                                | 19,878,542     |               |
| Purchased professional and technical services    | 178,423        |               |
| Instructional materials and supplies             | 4,180,347      |               |
| Instructional equipment                          | <u>586,419</u> |               |
| Total Teacher and Student Interaction Activities |                | \$ 78,182,475 |

Other Instructional Activities 404,922

|   |           |           |
|---|-----------|-----------|
| Pupil Support Activities                    | 4,521,297 |           |
| Less Equipment for Pupil Support Activities | <u>-</u>  |           |
| Net Pupil Support Activities                |           | 4,521,297 |

|   |           |           |
|---|-----------|-----------|
| Instructional staff services                    | 5,574,612 |           |
| Less Equipment for Instructional staff services | <u>-</u>  |           |
| Net Instructional staff services                |           | 5,574,612 |

Total General Fund Instructional Expenditures: \$ 88,683,306

Total General Fund Equipment Expenditures \$ 1,160,355

**CERTAIN LOCAL REVENUE SOURCES**

Local taxation sources:

|   |                      |
|---|----------------------|
| Constitutional ad valorem tax   | \$ 1,864,134         |
| Renewable ad valorem tax  | 2,617,653            |
| Debt Service ad valorem tax   | 707                  |
| Up to 1% of collections by the sheriff on taxes other than school taxes | 468,465              |
| Sales and use taxes   | <u>46,454,173</u>    |
| Total local taxation revenue  | <u>\$ 51,405,132</u> |

Local earnings on investment in real Property:

|   |                     |
|---|---------------------|
| Earnings on 16th section property                   | \$ 3,454,235        |
| Earnings from other real property                   | <u>191,855</u>      |
| Total local earnings on investment in real property | <u>\$ 3,646,090</u> |

State revenue in lieu of taxes:

|                                      |                   |
|--------------------------------------|-------------------|
| Revenue Sharing - Constitutional Tax | \$ 93,444         |
| Revenue Sharing - Other Taxes        | 131,212           |
| Revenue Sharing - Excess Portion     | -                 |
| Other Revenue in lieu of taxes       | -                 |
| Total state revenue in lieu of taxes | <u>\$ 224,656</u> |

Non-public Textbook Revenue \$ 76,215

Non-public Transportation Revenue \$ 211,143

TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

Educational Levels of Public School Staff  
As of October 1, 2005

| Category                      | Full-time Classroom Teachers |         |                |         | Principals and Assistant Principals |         |                |         |
|-------------------------------|------------------------------|---------|----------------|---------|-------------------------------------|---------|----------------|---------|
|                               | Certificated                 |         | Uncertificated |         | Certificated                        |         | Uncertificated |         |
|                               | Number                       | Percent | Number         | Percent | Number                              | Percent | Number         | Percent |
| Less than a Bachelor's Degree | 12                           | 1%      | 1              | 33%     | 0                                   | 0%      | 0              | 0%      |
| Bachelor's Degree             | 1,070                        | 79%     | 2              | 67%     | 0                                   | 0%      | 0              | 0%      |
| Master's Degree               | 190                          | 14%     | 0              | 0%      | 19                                  | 28%     | 0              | 0%      |
| Master's Degree +30           | 85                           | 6%      | 0              | 0%      | 50                                  | 72%     | 0              | 0%      |
| Specialist in Education       | 0                            | 0%      | 0              | 0%      | 0                                   | 0%      | 0              | 0%      |
| Ph. D. or Ed. D.              | 1                            | 0%      | 0              | 0%      | 0                                   | 0%      | 0              | 0%      |
| Total                         | 1,358                        | 100%    | 3              | 100%    | 69                                  | 100%    | 0              | 0%      |

TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

Number and Type of Public Schools  
For the Year Ended June 30, 2006

---

| Type            | Number |
|-----------------|--------|
| Elementary      | 22     |
| Middle/Jr. High | 10     |
| Secondary       | 5      |
| Combination     | 4      |
| Total           | 41     |

TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

Experience of Public Principals and Full-time Classroom Teachers  
As of October 1, 2005

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| Type                 | 0-1 Yr. | 2-3 Yrs. | 4-10 Yrs. | 11-14 Yrs. | 15-19 Yrs. | 20-24 Yrs. | 25+ Yrs. | Total |
|----------------------|---------|----------|-----------|------------|------------|------------|----------|-------|
| Assistant Principals |         |          | 6         | 4          | 6          | 4          | 9        | 29    |
| Principals           |         |          | 2         | 5          | 5          | 9          | 19       | 40    |
| Classroom teachers   | 96      | 128      | 462       | 148        | 165        | 108        | 254      | 1,361 |
| Total                | 96      | 128      | 470       | 157        | 176        | 121        | 282      | 1,430 |

TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

Public School Staff Data  
For the Year Ended June 30, 2006

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|  | All Classroom<br>Teachers | Classroom Teachers<br>Excluding ROTC<br>and Rehired Retirees |
|--|---------------------------|--|
| Average Classroom<br>Teacher's Salary Including<br>Extra Compensation                        | \$36,755                  | \$36,689   |
| Average Classroom<br>Teacher's Salary Excluding<br>Extra Compensation                        | \$36,575                  | \$36,507   |
| Number of Teacher Full-time<br>Equivalents (FTEs) used in<br>Computation of Average Salaries | 1,433                     | 1,416  |

**TERREBONNE PARISH SCHOOL BOARD**  
Houma, Louisiana

**Class Size Characteristics**  
As of October 1, 2005

| Category                         | Class Size Range |         |        |         |        |         |            |         |        |         |
|----------------------------------|------------------|---------|--------|---------|--------|---------|------------|---------|--------|---------|
|                                  | 1-20             |         | 21-26  |         | 27-33  |         | 34 or more |         | Total  |         |
|                                  | Number           | Percent | Number | Percent | Number | Percent | Number     | Percent | Number | Percent |
| Elementary                       | 1,643            | 43%     | 833    | 50%     | 114    | 26%     | 31         | 40%     | 2,621  | 44%     |
| Elementary Activity Classes      | 361              | 10%     | 148    | 9%      | 14     | 3%      | 5          | 6%      | 528    | 9%      |
| Middle/Jr. High                  | 852              | 22%     | 392    | 24%     | 135    | 30%     | 12         | 16%     | 1,391  | 23%     |
| Middle/Jr. High Activity Classes | 237              | 6%      | 36     | 2%      | 32     | 7%      | 22         | 29%     | 327    | 6%      |
| High                             | 405              | 11%     | 235    | 14%     | 136    | 30%     | 1          | 1%      | 777    | 13%     |
| High Activity Classes            | 82               | 2%      | 18     | 1%      | 17     | 4%      | 6          | 8%      | 123    | 2%      |
| Combination                      | 193              | 5%      | 0      | 0%      | 0      | 0%      | 0          | 0%      | 193    | 3%      |
| Combination Activity Classes     | 20               | 1%      | 0      | 0%      | 1      | 0%      | 0          | 0%      | 21     | 0%      |
| Total                            | 3,793            | 100%    | 1,662  | 100%    | 449    | 100%    | 77         | 100%    | 5,981  | 100%    |



TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century  
Year Ended June 30, 2006

| District Achievement Level | English Language Arts |         |       |        |         |       | Mathematics |         |       |        |         |       |
|----------------------------|-----------------------|---------|-------|--------|---------|-------|-------------|---------|-------|--------|---------|-------|
|                            | 2006                  |         |       | 2005   |         |       | 2006        |         |       | 2005   |         |       |
|                            | Number                | Percent | Grade | Number | Percent | Grade | Number      | Percent | Grade | Number | Percent | Grade |
| <b>Grade 4</b>             |                       |         |       |        |         |       |             |         |       |        |         |       |
| Advanced                   | 43                    | 3%      |       | 39     | 2%      |       | 54          | 3%      |       | 33     | 2%      |       |
| Mastery                    | 229                   | 14%     |       | 308    | 19%     |       | 257         | 16%     |       | 233    | 14%     |       |
| Basic                      | 726                   | 45%     |       | 708    | 43%     |       | 614         | 39%     |       | 693    | 42%     |       |
| Approaching Basic          | 351                   | 22%     |       | 376    | 23%     |       | 355         | 22%     |       | 361    | 22%     |       |
| Unsatisfactory             | 256                   | 16%     |       | 219    | 13%     |       | 325         | 20%     |       | 326    | 20%     |       |
| Total                      | 1605                  | 100%    |       | 1650   | 100%    |       | 1605        | 100%    |       | 1646   | 100%    |       |

| District Achievement Level | Science |         |       |        |         |       | Social Studies |         |       |        |         |       |
|----------------------------|---------|---------|-------|--------|---------|-------|----------------|---------|-------|--------|---------|-------|
|                            | 2006    |         |       | 2005   |         |       | 2006           |         |       | 2005   |         |       |
|                            | Number  | Percent | Grade | Number | Percent | Grade | Number         | Percent | Grade | Number | Percent | Grade |
| <b>Grade 4</b>             |         |         |       |        |         |       |                |         |       |        |         |       |
| Advanced                   | 37      | 3%      |       | 80     | 5%      |       | 19             | 1%      |       | 21     | 1%      |       |
| Mastery                    | 182     | 11%     |       | 225    | 13%     |       | 225            | 14%     |       | 171    | 10%     |       |
| Basic                      | 659     | 41%     |       | 785    | 48%     |       | 806            | 50%     |       | 835    | 51%     |       |
| Approaching Basic          | 553     | 34%     |       | 436    | 27%     |       | 347            | 22%     |       | 394    | 24%     |       |
| Unsatisfactory             | 175     | 11%     |       | 119    | 7%      |       | 208            | 13%     |       | 223    | 14%     |       |
| Total                      | 1606    | 100%    |       | 1645   | 100%    |       | 1605           | 100%    |       | 1644   | 100%    |       |

| District Achievement Level | English Language Arts |         |       |        |         |       | Mathematics |         |       |        |         |       |
|----------------------------|-----------------------|---------|-------|--------|---------|-------|-------------|---------|-------|--------|---------|-------|
|                            | 2006                  |         |       | 2005   |         |       | 2006        |         |       | 2005   |         |       |
|                            | Number                | Percent | Grade | Number | Percent | Grade | Number      | Percent | Grade | Number | Percent | Grade |
| <b>Grade 8</b>             |                       |         |       |        |         |       |             |         |       |        |         |       |
| Advanced                   | 17                    | 1%      |       | 9      | 1%      |       | 29          | 2%      |       | 26     | 2%      |       |
| Mastery                    | 116                   | 9%      |       | 180    | 11%     |       | 51          | 4%      |       | 78     | 5%      |       |
| Basic                      | 556                   | 40%     |       | 608    | 39%     |       | 604         | 42%     |       | 681    | 42%     |       |
| Approaching Basic          | 543                   | 39%     |       | 555    | 35%     |       | 369         | 25%     |       | 412    | 25%     |       |
| Unsatisfactory             | 149                   | 11%     |       | 221    | 14%     |       | 399         | 27%     |       | 422    | 26%     |       |
| Total                      | 1381                  | 100%    |       | 1573   | 100%    |       | 1452        | 100%    |       | 1619   | 100%    |       |

| District Achievement Level | Science |         |       |        |         |       | Social Studies |         |       |        |         |       |
|----------------------------|---------|---------|-------|--------|---------|-------|----------------|---------|-------|--------|---------|-------|
|                            | 2006    |         |       | 2005   |         |       | 2006           |         |       | 2005   |         |       |
|                            | Number  | Percent | Grade | Number | Percent | Grade | Number         | Percent | Grade | Number | Percent | Grade |
| <b>Grade 8</b>             |         |         |       |        |         |       |                |         |       |        |         |       |
| Advanced                   | 13      | 1%      |       | 19     | 1%      |       | 19             | 1%      |       | 12     | 1%      |       |
| Mastery                    | 144     | 11%     |       | 249    | 16%     |       | 110            | 8%      |       | 166    | 11%     |       |
| Basic                      | 450     | 33%     |       | 596    | 38%     |       | 570            | 42%     |       | 711    | 45%     |       |
| Approaching Basic          | 500     | 36%     |       | 427    | 28%     |       | 341            | 25%     |       | 351    | 23%     |       |
| Unsatisfactory             | 257     | 19%     |       | 264    | 17%     |       | 321            | 24%     |       | 316    | 20%     |       |
| Total                      | 1364    | 100%    |       | 1555   | 100%    |       | 1361           | 100%    |       | 1556   | 100%    |       |

**TERREBONNE PARISH SCHOOL BOARD**  
Houma, Louisiana

**The Graduation Exit Examination for the 21st Century (GEE21)**  
Year Ended June 30, 2006

| District Achievement Level | English Language Arts |             |             |             |             |             | Mathematics |             |             |             |             |             |
|----------------------------|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                            | 2006                  |             |             | 2005        |             |             | 2006        |             |             | 2005        |             |             |
|                            | Number                | Percent     | Number      | Percent     | Number      | Percent     | Number      | Percent     | Number      | Percent     | Number      | Percent     |
| <b>Grade 10</b>            |                       |             |             |             |             |             |             |             |             |             |             |             |
| Advanced                   | 7                     | 1%          | 8           | 1%          | 14          | 1%          | 70          | 6%          | 71          | 6%          | 58          | 5%          |
| Mastery                    | 112                   | 9%          | 157         | 12%         | 160         | 13%         | 170         | 14%         | 177         | 14%         | 149         | 12%         |
| Basic                      | 527                   | 45%         | 554         | 44%         | 493         | 41%         | 479         | 39%         | 468         | 37%         | 502         | 39%         |
| Approaching Basic          | 336                   | 28%         | 337         | 27%         | 292         | 24%         | 221         | 17%         | 186         | 15%         | 236         | 19%         |
| Unsatisfactory             | 199                   | 17%         | 206         | 16%         | 248         | 21%         | 299         | 24%         | 361         | 28%         | 318         | 25%         |
| <b>Total</b>               | <b>1181</b>           | <b>100%</b> | <b>1262</b> | <b>100%</b> | <b>1208</b> | <b>100%</b> | <b>1239</b> | <b>100%</b> | <b>1263</b> | <b>100%</b> | <b>1263</b> | <b>100%</b> |

| District Achievement Level | Science     |             |             |             |             |             | Social Studies |             |             |             |             |             |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|-------------|-------------|-------------|-------------|-------------|
|                            | 2006        |             |             | 2005        |             |             | 2006           |             |             | 2005        |             |             |
|                            | Number      | Percent     | Number      | Percent     | Number      | Percent     | Number         | Percent     | Number      | Percent     | Number      | Percent     |
| <b>Grade 11</b>            |             |             |             |             |             |             |                |             |             |             |             |             |
| Advanced                   | 23          | 2%          | 20          | 2%          | 19          | 2%          | 3              | 0%          | 3           | 0%          | 2           | 0%          |
| Mastery                    | 110         | 10%         | 120         | 11%         | 145         | 13%         | 51             | 5%          | 80          | 8%          | 87          | 8%          |
| Basic                      | 434         | 40%         | 467         | 45%         | 473         | 42%         | 557            | 51%         | 543         | 52%         | 590         | 52%         |
| Approaching Basic          | 337         | 31%         | 272         | 26%         | 310         | 27%         | 268            | 25%         | 236         | 22%         | 269         | 24%         |
| Unsatisfactory             | 179         | 17%         | 169         | 16%         | 180         | 16%         | 201            | 19%         | 184         | 18%         | 176         | 16%         |
| <b>Total</b>               | <b>1083</b> | <b>100%</b> | <b>1048</b> | <b>100%</b> | <b>1127</b> | <b>100%</b> | <b>1080</b>    | <b>100%</b> | <b>1046</b> | <b>100%</b> | <b>1124</b> | <b>100%</b> |

TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

Iowa and iLEAP Tests  
Year Ended June 30, 2006

| Type                                   | 2005 | 2004 |
|--|------|------|
| Test of Basic Skills (ITBS)            |      |      |
| Grade 3                                | 61   | 60   |
| Grade 5                                | 60   | 57   |
| Grade 6                                | 49   | 49   |
| Grade 7                                | 51   | 50   |
|  |      |      |
| Test of Educational Development (ITED) |      |      |
| Grade 9                                | 49   | 47   |

The Terrebonne Parish School Board did not administer the Iowa Tests for the 2005-06 school year. Instead, the iLEAP test were given. The iLEAP test results are shown on the continuation of Schedule 9, page 6-10 and 6-11.

TERREBONNE PARISH SCHOOL BOARD  
Houma, LouisianaIowa and iLEAP Tests  
Year Ended June 30, 2006

| District Achievement Level Results<br>Students | English Language Arts<br>2006 |         | Mathematics<br>2006 |         | Science<br>2006 |         | Social Studies<br>2006 |         |
|--|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
|  | Number                        | Percent | Number              | Percent | Number          | Percent | Number                 | Percent |
| Grade 3  |                               |         |                     |         |                 |         |                        |         |
| Advanced                                       | 51                            | 4%      | 69                  | 6%      | 46              | 4%      | 32                     | 2%      |
| Basic  | 634                           | 57%     | 606                 | 39%     | 683             | 58%     | 726                    | 52%     |
| Approaching Basic                              | 259                           | 19%     | 291                 | 17%     | 330             | 28%     | 273                    | 19%     |
| Unsatisfactory                                 | 173                           | 15%     | 180                 | 24%     | 110             | 9%      | 127                    | 9%      |
| Total  | 1117                          | 100%    | 1146                | 86%     | 1189            | 100%    | 1158                   | 82%     |

| District Achievement Level Results<br>Students | English Language Arts<br>2006 |         | Mathematics<br>2006 |         | Science<br>2006 |         | Social Studies<br>2006 |         |
|--|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
|  | Number                        | Percent | Number              | Percent | Number          | Percent | Number                 | Percent |
| Grade 5  |                               |         |                     |         |                 |         |                        |         |
| Advanced                                       | 30                            | 2%      | 62                  | 4%      | 30              | 2%      | 56                     | 4%      |
| Mastery  | 233                           | 17%     | 152                 | 11%     | 211             | 15%     | 133                    | 10%     |
| Basic  | 612                           | 44%     | 721                 | 51%     | 567             | 41%     | 684                    | 49%     |
| Approaching Basic                              | 352                           | 25%     | 246                 | 18%     | 405             | 29%     | 310                    | 22%     |
| Unsatisfactory                                 | 173                           | 12%     | 219                 | 16%     | 185             | 13%     | 214                    | 15%     |
| Total  | 1400                          | 100%    | 1400                | 100%    | 1398            | 100%    | 1397                   | 100%    |

| District Achievement Level Results<br>Students | English Language Arts<br>2006 |         | Mathematics<br>2006 |         | Science<br>2006 |         | Social Studies<br>2006 |         |
|--|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
|  | Number                        | Percent | Number              | Percent | Number          | Percent | Number                 | Percent |
| Grade 6  |                               |         |                     |         |                 |         |                        |         |
| Advanced                                       | 55                            | 4%      | 47                  | 3%      | 34              | 3%      | 50                     | 4%      |
| Mastery  | 253                           | 17%     | 136                 | 10%     | 164             | 11%     | 132                    | 9%      |
| Basic  | 692                           | 47%     | 685                 | 47%     | 600             | 41%     | 662                    | 45%     |
| Approaching Basic                              | 299                           | 21%     | 268                 | 18%     | 440             | 30%     | 372                    | 26%     |
| Unsatisfactory                                 | 157                           | 11%     | 323                 | 22%     | 219             | 15%     | 240                    | 16%     |
| Total  | 1456                          | 100%    | 1457                | 100%    | 1457            | 100%    | 1456                   | 100%    |

| District Achievement Level Results<br>Students | English Language Arts<br>2006 |         | Mathematics<br>2006 |         | Science<br>2006 |         | Social Studies<br>2006 |         |
|--|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
|  | Number                        | Percent | Number              | Percent | Number          | Percent | Number                 | Percent |
| Grade 7  |                               |         |                     |         |                 |         |                        |         |
| Advanced                                       | 55                            | 4%      | 21                  | 2%      | 9               | 1%      | 7                      | 1%      |
| Mastery  | 168                           | 12%     | 83                  | 6%      | 148             | 10%     | 100                    | 7%      |
| Basic  | 578                           | 41%     | 624                 | 44%     | 511             | 37%     | 637                    | 46%     |
| Approaching Basic                              | 420                           | 30%     | 343                 | 25%     | 442             | 32%     | 360                    | 26%     |
| Unsatisfactory                                 | 177                           | 13%     | 326                 | 23%     | 286             | 20%     | 288                    | 20%     |
| Total  | 1398                          | 100%    | 1397                | 100%    | 1396            | 100%    | 1392                   | 100%    |

TERREBONNE PARISH SCHOOL BOARD  
Houma, Louisiana

Iowa and iLEAP Tests  
Year Ended June 30, 2006

| District Achievement Level Results | English Language Arts |         | Mathematics |         |
|------------------------------------|-----------------------|---------|-------------|---------|
|                                    | 2006                  |         | 2006        |         |
| Students                           | Number                | Percent | Number      | Percent |
| <b>Grade 8 Option 2</b>            |                       |         |             |         |
| Advanced                           | 0                     | 0%      | 0           | 0%      |
| Mastery                            | 0                     | 0%      | 0           | 0%      |
| Basic                              | 7                     | 9%      | 3           | 21%     |
| Approaching Basic                  | 49                    | 59%     | 4           | 29%     |
| Unsatisfactory                     | 26                    | 32%     | 7           | 50%     |
| Total                              | 82                    | 100%    | 14          | 100%    |

| District Achievement Level Results | English Language Arts |         | Mathematics |         |
|------------------------------------|-----------------------|---------|-------------|---------|
|                                    | 2006                  |         | 2006        |         |
| Students                           | Number                | Percent | Number      | Percent |
| <b>Grade 9</b>                     |                       |         |             |         |
| Advanced                           | 18                    | 1%      | 58          | 4%      |
| Mastery                            | 145                   | 11%     | 122         | 8%      |
| Basic                              | 635                   | 47%     | 681         | 51%     |
| Approaching Basic                  | 412                   | 31%     | 283         | 21%     |
| Unsatisfactory                     | 130                   | 10%     | 192         | 14%     |
| Total                              | 1340                  | 100%    | 1336        | 98%     |

| District Achievement Level Results | English Language Arts |         | Mathematics |         |
|------------------------------------|-----------------------|---------|-------------|---------|
|                                    | 2006                  |         | 2006        |         |
| Students                           | Number                | Percent | Number      | Percent |
| <b>PreGED/Skills</b>               |                       |         |             |         |
| Advanced                           | 0                     | 0%      | 0           | 0%      |
| Mastery                            | 0                     | 0%      | 1           | 0%      |
| Basic                              | 11                    | 7%      | 29          | 8%      |
| Approaching Basic                  | 54                    | 34%     | 34          | 9%      |
| Unsatisfactory                     | 95                    | 59%     | 310         | 83%     |
| Total                              | 160                   | 100%    | 374         | 100%    |

## TERREBONNE PARISH SCHOOL BOARD

### Independent Accountant's Report On Applying Agreed-Upon Procedures

To the Terrebonne Parish School Board:

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Terrebonne Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the Terrebonne Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
  - Total General Fund Instructional Expenditures,
  - Total General Fund Equipment Expenditures,
  - Total Local Taxation Revenue,
  - Total Local Earnings on Investment in Real Property,
  - Total State Revenue in Lieu of Taxes,
  - Nonpublic Textbook Revenue, and
  - Nonpublic Transportation Revenue.

No differences were noted.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 3rd.

No differences were noted.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No differences were noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 3rd and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

No differences were noted.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

No differences were noted.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 3 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

No differences were noted.

**Public Staff Data (Schedule 5)**

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

No differences were noted.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

No differences were noted.

**Class Size Characteristics (Schedule 6)**

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 3rd roll books for those classes and determined if the class was properly classified on the schedule.

In two instances, we were not able to reconcile students per the official roster on October 3, 2005 to students listed on the teachers' rollbooks on that date. Central office staff has indicated they will bring more awareness to the need to keep accurate rollbooks and instruct on the proper procedure to update the rollbooks and the official rosters for additions and deletions of students throughout the year.

**Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)**

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Terrebonne Parish School Board.

No differences were noted.



*The Graduation Exit Exam for the 21st Century (Schedule 8)*

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Terrebonne Parish School Board.

No differences were noted.

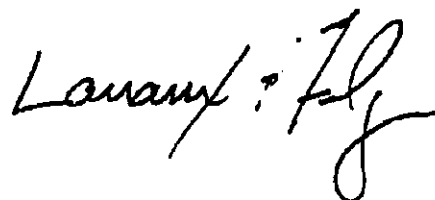
*The Integrated Louisiana Educational Assessment Program (iLEAP) (Schedule 9)*

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Terrebonne Parish School Board.

No differences were noted.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Terrebonne Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



December 8, 2006